Contractor Cost Data Reporting (CCDR) Manual

DRAFT
July 2003

Office of the Assistant Secretary of Defense (Program Analysis and Evaluation)
Defense Cost and Resource Center

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FOREWORD

This Manual, DoD 5000.4-M-1, is issued under the authority of DoD Directive 5000.4, "Cost Analysis Improvement Group (CAIG)" (reference (a)). It revises and replaces DoD 5000.4-M-1, "Contractor Cost Data Reporting (CCDR) Manual," April 1999 (hereby canceled) and serves as the primary guide for the development, implementation, and operation of the CCDR system.

The Manual provides background information and detailed guidance to implement the mandatory CCDR policies established in DoD Directive 5000.4 (reference (a)) and DoD 5000.4-M, "Cost Analysis Guidance and Procedures" (reference (b)). It also incorporates recent changes to the policy documents listed above and DoD Instruction 5000.2, "Operation of the Defense Acquisition System" (reference (c)), all of which are summarized in Chapter 2.

The Manual prescribes specific policies, procedures, and instructions that government stakeholders in the CCDR process must follow. It also indicates the reporting provisions the stakeholders must include in contractual documents where appropriate.

The guidance in the Manual applies to the Office of the Secretary of Defense, the Military Departments, the Chairman of the Joint Chiefs of Staff, the Combatant Commands, the Office of Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the Department of Defense (hereafter referred to collectively as the "DoD Components").

While the Manual itself is not contractually binding, it is considered to contain mandatory guidance when referenced or included in contracts such as the Contract Data Requirements List (CDRL) and the Data Item Descriptions (DIDs). By following the guidance in the Manual, you ensure the necessary CCDR data are accurate and consistent and quickly made available to DoD cost estimators.

Refer any questions, comments, or suggestions about the Manual to the Defense Cost and Resource Center (DCARC) by telephone (703-602-3301/3169), by fax (703-602-8944), or via the DCARC Web site (http://dcarc.pae.osd.mil).

Ken Krieg
Director
Program Analysis and Evaluation

SUMMARY OF SUBSTANTIVE CHANGES

The list below summarizes the substantive changes made to this edition of the CCDR Manual:

1. Incorporated provisions from the new DoD Directive 5000.1 and DoD Instruction 5000.2 and deleted provisions from the now cancelled DoD 5000.2-R. These changes included raising the dollar thresholds for CCDR reporting to FY 2002 constant dollars. CCDRs are now required on ACAT ID and IC program contracts greater than $50 million and on high-risk or high-technical-interest contracts valued between $7 and $50 million.

2. Revised language throughout the Manual to require rather than recommend policies and procedures.

3. Added specific CCDR responsibilities by major stakeholders (e.g., CAIG, Service cost centers, and reporting contractors).

4. Changed references to the Contractor Cost Data Reporting Project Office (CCDR-PO) and its Web site to the Defense Cost and Resource Center (DCARC) and its Web site, http://dcarc.pae.osd.mil.

5. Removed the exemption for ship construction from CCDR reporting.

6. Renamed DD Form 2794 from "Cost Data Reporting Plan" to "Cost and Software Data Reporting Plan." The form was revised to include changes to the new Software Resources Data Report (SRDR) and to how reporting frequency is shown. The Contract CSDR Plan requires both the Contract Work Breakdown Structure (CWBS) element code and the related Program Work Breakdown Structure (PWBS) element code.

7. Added the requirement for the DoD Program Manager (PM) to provide in the Program CSDR Plan the name and address of any associate contractors and subcontractors who potentially will meet the CCDR reporting thresholds, along with the specific Work Breakdown Structure (WBS) elements they are responsible for. The PM must also identify the specific characteristics (e.g., weight, range, and speed) for each prime associate, and subcontractor that meets reporting thresholds.

8. Added the requirement for the PM to include, at the time the CSRD Plan is submitted for CAIG approval, a cover memorandum identifying individuals and organizations outside the PM's organization involved in the plan.

9. Added requirements for DD Form 1921, "Cost Data Summary Report," to report equivalent units completed to date and to breakout quantities on

research and development contracts to show the items produced for delivery to the customer and those produced for internal contractor use.

10. Consolidated DD Form 1921-1, "Functional Cost-Hour Report," and DD Form 1921-2, "Progress Curve Report," into one report format, DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report."

11. Added requirements for DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report," to report equivalent units completed to date and quantities at completion and to breakout quantities on research and development contracts to show the items produced for delivery to the customer and those produced for internal contractor use.

12. Added a requirement for reporting contractors to submit interim reports within 60 days after the end of the reporting period specified in the CSDR Plan.

13. Provided that the DCARC, in coordination with the Cost Working-Level Integrated Product Team (CWIPT), the reporting contractor, and any other interested stakeholder, shall determine the need to perform a post-mortem review of the final CCDRs within 60 days of receiving the final report(s).

14. Included detailed contractor reporting instructions for the revised CCDRs in the Data Item Descriptions (DIDs) and moved them to Appendix 1 along with the related report formats.

15. Replaced DD Form 1921-3, "Plant-Wide Data Report" with requirements to report Forward Pricing Rate (FPR) data.

16. Deleted Chapter 5, Cost Data Element Definitions, and transferred the information to the appropriate DIDs, now in Appendix 1.

17. Made new report formats and electronic reporting effective October 1, 2003.

18. Included a requirement for subcontractors to report directly to DCARC.

19. Changed references to the Central Repository System (CRS) to the Defense Automated Cost Information Management System (DACIMS) and rewrote Chapter 6 (now Chapter 5) to clearly describe DACIMS, its stakeholders (users), and its uses.

20. Added a requirement to the Contract Work Breakdown Structure DID that contractors maintain and update the CWBS dictionary for the life of the contract.

21. Deleted appendices on the history of CCDR development, old formats and reporting instructions, and special instructions for the Airframe reporting

element on DD Form 1921-1. Airframe reporting instructions are now included in DID number DI-FNCL-81566A in Appendix 1.

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REFERENCES

(a) DoD Directive 5000.4, "Cost Analysis Improvement Group (CAIG)," November 24, 1992 (Administrative Reissuance Incorporating Change 1, November 16, 1994)—currently undergoing revision

(b) DoD 5000.4-M, "Cost Analysis Guidance and Procedures," December 11, 1992—currently undergoing revision

(c) DoD Instruction 5000.2, "Operation of the Defense Acquisition System," May 12, 2003

(d) Military Handbook 881, "Work Breakdown Structures for Defense Materiel Items," January 2, 1998[1]

(e) DoD Directive 5000.1, "The Defense Acquisition System," May 12, 2003

(f) Defense Contract Audit Agency (DCAA) Manual (DCAAM) 7640.1M, "DCAA Contract Audit Manual," Volume 2, January 2003[2]

(g) DoD 5000.4-M-2, "Software Resources Data Report Manual," forthcoming

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1 Document is available at the DCARC Web site (http://dcarc.paeosd.mil).

2 Document is available at the DCAA Web site (http://www.dcaa.mil).

DEFINITIONS

DL1.1. ACQUISITION PROGRAM. A directed, funded effort designed to provide a new, improved, or continuing materiel, weapon or information system, capability, or service in response to a validated operational or business need. Acquisition programs are divided into categories, which are established to facilitate decentralized decisionmaking, execution, and compliance with statutory requirements.

DL1.2. ACTUAL COSTS OR "ACTUALS." The costs sustained in fact, on the basis of costs incurred, as opposed to standard, predetermined, or estimated costs. Actual costs to date include cost of direct labor, direct material, and other direct charges specifically identified to appropriate control accounts as incurred, and any overhead costs and general administrative expenses allocated to control accounts.

DL1.3. AIRFRAME. The structural framework, including the wings, fins, and body assemblies, that provides the aerodynamic shape, mounting surfaces and environmental protection for the missile components.

DL1.4. BLOCK. A group of similarly configured items. A block may contain all the units in a single lot or it may be one of several blocks within one or more lots.

DL1.5. EQUIVALENT UNITS. The total of completed units plus work completed on partially completed units translated into an equivalent number of totally completed units.

DL1.6. FACILITIES COST OF MONEY. An imputed cost determined by applying a cost-of-money rate to facilities capital employed in contract performance. Capital employed is determined without regard to whether its source is equity or borrowed capital. The resulting cost of money is not a form of interest on borrowing.

DL1.7. FEE. In special cost-reimbursement pricing arrangements, an agreed-to amount beyond the initial estimate of costs. In most instances, fee reflects a variety of factors, including risk, and is subject to statutory limitations. Fee may be fixed at the outset of performance, as in a cost-plus-fixed fee arrangement, or it may vary (within a contractually specified range) during performance, as in a cost-plus-incentive-fee arrangement.

DL1.8. GENERAL AND ADMINISTRATIVE (G&A). Indirect expenses related to the overall management and administration of the contractor's business unit, including the following: a company's general and executive offices; the cost of staff services such as legal, accounting, public relations, financial, and similar expenses; and other general expenses. G&A is also a generic term used to describe expenses whose beneficial or causal relationship to cost objectives cannot be more accurately assigned to overhead areas for engineering, manufacturing, material, and so on.

DL1.9. HIGH-RISK ITEM. A selected Work Breakdown Structure (WBS) element that the Cost Working-Level Integrated Product Team (CWIPT) designates as being of

higher-than-average risk in terms of cost, schedule, or technical performance. Key considerations in designating high-risk items are the importance of the cost drivers associated with them and the needed visibility into lower-level elements for future cost evaluations.

DL1.10. HIGH-TECHNICAL-INTEREST ITEM. A selected WBS element that the CWIPT designates as having important technical consequences on a specific contract or program or on future contracts or programs (e.g., use of composites or introduction of a new production technology).

DL1.11. HIGH-VALUE ITEM. A selected WBS element that constitutes 10 percent or more of total contract costs or that the CWIPT designates as being an important contributor to the system's overall cost. For example, the selected element may not meet the 10 percent contract criteria, but it still may be an important element over the life of the entire program or in estimating future programs.

DL1.12. INDIRECT COST. An item of cost incurred for common or joint objectives that cannot be identified specifically with a single final cost objective (e.g., contract, product, services, program, function, or project) and is therefore not readily subject to treatment as a direct cost. Indirect cost is often used synonymously with overhead costs.

DL1.13. INDIRECT LABOR. All labor costs classified as indirect except those related to building and equipment maintenance and future business.

DL1.14. LETTER CONTRACT. A preliminary contract, with or without a tentative price or specific amount agreed to and containing any other basic terms agreed to at the time. A letter contract authorizes the contractor to commence work, incur costs, and make commitments pending negotiation and execution of the definitive contract. It obligates the customer to make either a definitive contract within a specified time, or to reimburse the contractor for costs incurred under the letter contract. The letter contract is superseded as soon as possible by a definitive contract.

DL1.15. LOT. A contractual group consisting of two or more units (e.g., unit number through unit number). A lot typically represents the quantity purchased in a single fiscal year (FY); however, a given FY buy may be subdivided into two or more lots if contractually preferable. Similarly, a lot is usually related to one contract but may be associated with two or more contracts.

DL1.16. MANAGEMENT RESERVE. The amount of the total allocated budget that is held back for management control and risk purposes at the total contract level rather than designated for the accomplishment of specific tasks.

DL1.17. MANUFACTURING. The effort and costs expended in the fabrication, assembly, and functional testing of a product or end item. It involves all the processes necessary to convert raw material into finished items.

DL1.18. MANUFACTURING LABOR. Direct labor performed on the end item or product, including labor to make the parts used in the finished product and to perform functional testing. Manufacturing labor normally covers fabrication, assembly, and manufacturing support activities. It may also include tooling and quality control labor.

DL1.19. MATERIAL. Items that are raw, crude, or partially processed material or components that have not yet been made into a definite functional item or configuration. As a cost element, material consists of raw materials, purchased parts and equipment, subcontract items, and outside production items. In operating terms, material includes the components, parts, assemblies, and supplies used in operations and maintenance.

DL1.20. MATERIAL (ENGINEERING). Material within the Engineering functional category that represents the cost of raw materials and purchased parts (e.g., printed circuit boards) evaluated or consumed in the performance of the Engineering function for the specified reporting element. Also included are engineering test and similar equipment (i.e., oscilloscopes, transducers, recorders, radio transmitters, converters, discriminators, and receivers) required to accomplish the Engineering function.

DL1.21. MATERIAL OVERHEAD. The portion of indirect costs attributable to procured or subcontracted products, including the cost of purchasing, expediting, and storing materials, parts, equipment, and assemblies.

DL1.22. MATERIALS AND PURCHASED PARTS (MANUFACTURING). The costs of raw and semi-fabricated material plus purchased parts used in the manufacture of the specified reporting element. The purchased parts are essentially off-the-shelf items widely used in industry and supplied by a specialized manufacturer who has the proprietary right to the product. The following are examples of materials and purchased parts: raw materials in typically purchased forms and shapes (sheets, bars, rods, etc.); semi-fabricated materials in typically purchased forms and shapes (wires, cables, fabrics, conduits, tubing, sealing strips, fiberglass, windshield glass, etc.); raw castings and forgings; manufactured proprietary clips, fasteners, hose clamps and assemblies, and seat belts; standard and proprietary valves, cocks, and hydraulic and plumbing fittings and fixtures; and standard electrical fittings (conforming to underwriters and other standard specifications). Purchased parts are distinguished from purchased equipment by cost and complexity.

DL1.23. MATERIALS AND PURCHASED TOOLS (TOOLING). The costs of the new (basic, processed, or semi-fabricated) material used in the manufacture of dies, jigs, fixtures, gauges, handling equipment, work platform, and test equipment for fabrication and testing. Also included are the costs of tools the reporting contractor normally purchases, such as special welding heads, X-ray heads, attaching fixtures, control panels, and consoles, that require negligible in-house effort to assemble into the final tool configuration.

DL1.24. MOCK-UP. A partial or full-scale replica of an article or its components, usually constructed of cheaper materials than required in the finished product. A mock-up

is used to provide physical interfaces between structure and various electronic, hydraulic, pneumatic, electrical, and similar systems.

DL1.25. NONRECURRING COSTS. Elements of development and investment costs that generally occur only once in the life cycle of a system. Such costs are often found in engineering, system test, tooling, and pre-production activities, and also include basic design and development through first release of engineering drawings and data, all system and subsystem test activities (except end-item acceptance testing), configuration audits, qualification testing, technical publications through initial release, basic tool and production planning through initial release, all basic tooling, engineering models, partially built units for development or test purposes only, units not built to operational configuration, and specialized work force training.

DL1.26. NONREPORTING SUBCONTRACTOR. A company that has a subcontract without CCDR reporting requirements with a company whose prime contract contains CCDR reporting requirements.

DL1.27. OTHER COSTS NOT SHOWN ELSEWHERE. Direct costs not allocated to the categories of Engineering, Tooling, Quality Control, Manufacturing, Purchased Equipment, and Material Overhead. Costs may include such items as security, royalty, license fees, transportation, preservation, packaging, and any applicable Federal excise tax.

DL1.28. OTHER DIRECT CHARGES (ENGINEERING). Direct costs of travel, per diem, shift and overtime premiums, automatic data processing, reproduction of printed material, rental of special test facilities and equipment, and other engineering items not allocated to the categories of Direct Labor, Overhead, and Material.

DL1.29. OTHER DIRECT CHARGES (MANUFACTURING). Direct costs of travel, per diem, fire and extended coverage insurance, shift and overtime premiums, rental of special facilities and equipment, shipping, and transportation for items sent or returned to subcontractors, extraordinary expenses associated with operating off-site test bases, and other manufacturing costs not allocated to the categories of Direct Labor, Overhead, and Materials and Purchased Parts.

DL1.30. OTHER DIRECT CHARGES (QUALITY CONTROL). Direct costs of travel, per diem, shift and overtime premiums, automatic data processing, reproduction of printed material, and other quality control items not allocated to the categories of Direct Labor and Overhead. Material and test equipment may not be included in this category. Instead, they may be included as Materials and Purchased Parts.

DL1.31. OTHER DIRECT CHARGES (TOOLING). Direct costs of travel, per diem shift premium, overtime, premiums, rental of equipment, and other tooling items not allocated to the categories of Tooling, Direct Labor, Material, Overhead, or Purchased Tools for the reporting element.

DL1.32. OUTSIDE PRODUCTION. A special category of Airframe subcontracts. The prime contractor is to report outside production for all subcontracts not reporting separately to the Department of Defense. All Airframe subcontracts are distributed by function in Outside Production and Services, either among all categories or as purchased equipment. The following guidelines apply (even when make-or-buy decisions change during contract execution): (1) all subcontracts for items or services normally produced or performed in airframe plants must be distributed as appropriate among all functional categories of cost whether the particular contractor makes or buys the items; (2) all subcontracts for items falling within the definition of Purchased Equipment as described by the special instructions for Airframe reporting in Appendix 1 must be included as purchased equipment whether the particular contractors make or buy the items; and (3) final entries must be included with the subcontractor's G&A and profit or fee.

DL1.33. OVERHEAD. All indirect costs, except G&A expenses, that are properly chargeable for the specified reporting element. (See Indirect Costs.)

DL1.34. PRODUCTION PROGRAM. Includes all activities related to the fabrication, assembly, and delivery of a system in specified quantities of useable end items, support equipment, training, data, modifications, and spares. Other production activities include: revision of final manufacturing drawings resulting from qualification testing or for incorporation of different manufacturing methods; manufacture or procurement of production tooling; full production of all components, subsystems, and systems, including parts and equipment manufactured in-house manufacture and subcontracted; and acceptance testing.

DL1.35. PROFIT (CONTRACT). Covers both profit and fee. Target profit or profit as stated in a fixed-price type of contract (Firm Fixed Price, Fixed Price Incentive). In a cost form of contract (Cost Plus Fixed Fee, Cost Plus Incentive Fee), profit is called *fee*.

DL1.36. PROFIT OR FEE. Profit is the excess of revenues over expenses in fixed-price contracts. In special cost-reimbursement pricing arrangements, fee is a form of profit representing an agreed-to amount beyond the initial estimate of costs that reflects a variety of factors, including risk, and is subject to statutory limitations. Fee may be fixed at the outset of performance, as in a cost-plus-fixed-fee arrangement, or may vary (within a contractually specified minimum-maximum range) during performance, as in a cost-plus-incentive-fee arrangement.

DL1.37. PURCHASED EQUIPMENT. Manufactured and assembled items the contractor procures from outside sources that are required for installation in the reporting element. Such equipment normally costs over $1,000 per unit and exhibits a wide range of complexity. Examples of purchased equipment for large weapon systems are multipurpose hydraulic and pneumatic pumps, motors, generators, air conditioning equipment, batteries, landing gear, instruments, pedestals, and so on. Where the reporting contractor specifically controls the design of such equipment for the unique requirements of the WBS element, purchased equipment is considered as subcontracted and reported as such. Subcontracts for items falling within the definition of Purchased Equipment as

described by the special instructions for Airframe reporting in Appendix 1 must be included as purchased equipment whether the particular contractor makes or buys the items.

DL1.38. QUALITY CONTROL. Activities that check, physically inspect, measure, and test the product. Quality control efforts typically focus on manufacturing, shops, receiving and shipping, and records that are necessary to assure that hardware, end items, parts, components, processes, and tests are being fabricated, assembled, and tested in accordance with engineering drawings and specifications.

DL1.39. RECURRING COSTS. Repetitive elements of development and investment costs that may vary with the quantity being produced during any program phase. For example, during the development phase, repetitive production-like costs incurred when producing prototype and test units are considered recurring costs. Recurring costs include the following: engineering required for redesign, modifications, reliability, maintainability, and associated evaluation and liaison; complete reporting elements produced either for test or for operational use; tool maintenance, modification, rework, and replacement; training all Service personnel to operate and maintain equipment; and reproduction and updating of technical data and manuals.

DL1.40. REPORTING ELEMENT. A defined task or contract item on which data are to be collected. Examples include a total contract; elements of a work breakdown structure as defined in Military Handbook 881 (MIL-HDBK-881), "Work Breakdown Structures for Defense Materiel Items, January 2, 1988 (reference (d)); general and administrative (G&A) expenses; miscellaneous items; and profit or fee.

DL1.41. SOFTWARE COST. Software is the set of computer programs and accompanying documentation developed under a given contract. Development activities include specifying software requirements, design, coding, testing, and integration. Software cost includes the internal cost of developing and documenting lines of code for both original programs and modifications to existing software (contractor-developed, government-furnished, or commercial). The cost of commercial software may also be included if delivered to and paid for by the government. Software costs do not include the cost of any contractor infrastructure software used to support other development (e.g., compilers, editors, and operating systems) that is not part of the deliverable.

DL1.42. SUBCONTRACT. Any agreement, purchase order, or instrument other than a prime contract calling for work or for the material required for the performance of one or more prime contracts. It usually covers procurement of major components or subsystems that require the subcontractor to do extensive design, development, engineering, and testing to meet a prime contractor's procurement specifications. A company that has a subcontract without CCDR reporting requirements with a company whose prime contract contains CCDR reporting requirements is referred to as a nonreporting subcontractor.

DL1.43. TOOLING. The original equipment and manufacturing aids that a contractor acquires, manufactures, or replaces in the performance of a contract. Examples include jigs, dies, fixtures, molds, patterns, and special gauges. These tools, sometimes called special tools, are of such a specialized nature that their use is limited to the production of supplies or parts or the performance of services that are particular to the needs of the customer. In military business the "title" for tooling resides with the customer; in commercial practice the "title" resides with the contractor. Tooling costs may also be subdivided into recurring and nonrecurring components. Nonrecurring tooling costs consist of all design and development costs through initial release of basic tooling. Recurring tooling costs are generally related to sustaining tooling that involves the maintenance, repair, modification, and replacement of basic tooling after initial release.

DL1.44. UNDISTRIBUTED BUDGET. The portion of the budget applicable to program effort that has not yet been allocated to control account budgets or to management reserve.

DL1.45. UNIT. Individual reporting by unit number (e.g., tail number for aircraft). Such reporting is generally prescribed when specific characteristics, measurements, or other specific data are required of individual units (e.g., weight of an aircraft).

ABBREVIATIONS

ACAT	Acquisition Category
ACO	Administrative Contracting Officer
AOA	Analysis of Alternatives
ASSIST	Acquisition Streamlining and Standardized Information System
AUW	Airframe Unit Weight
CA	Cost Analyst
CAE	Component Acquisition Executive
CAIG	Cost Analysis Improvement Group
CAIV	Cost as an Independent Variable
CARD	Cost Analysis Requirements Description
CCA	Component Cost Analysis
CCDR	Contractor Cost Data Reporting
CCDR-PO	Contractor Cost Data Reporting Project Office
CCDRs	Contractor Cost Data Reports
CDRL	Contract Data Requirements List
CER	Cost-Estimating Relationship
CPAF	Cost Plus Award Fee
CPFF	Cost Plus Fixed Fee
CPIF	Cost Plus Incentive Fee
CPIF/AF	Cost Plus Incentive Fee/Award Fee
CPSR	Contractor Purchasing System Review
CRS	Central Repository System
CS	Cost Sharing
CSDR	Cost and Software Data Reporting
CWBS	Contract Work Breakdown Structure
CWIPT	Cost Working-Level Integrated Product Team
DAB	Defense Acquisition Board
DACIMS	Defense Automated Cost Information Management System
DCAA	Defense Contract Audit Agency
DCAAM	Defense Contract Audit Agency Manual
DCARC	Defense Cost and Resource Center
DCMA	Defense Contract Management Agency
DID	Data Item Description
DoD	Department of Defense
DUNS	Dun and Bradstreet's Universal Numbering System
EAC	Estimate At Completion
EDI	Electronic Data Interchange
EVMS	Earned Value Management System
FAR	Federal Acquisition Regulation
AFCP/RPR	Fixed Ceiling Price with Retroactive Price Determination
AFFP	Firm Fixed Price
AFFP/LOET	Firm Fixed Price, Level of Effort Term
FFRDC	Federally Funded Research and Development Center
FP/AF	Fixed Price with Award Fee

FP/EPA	Fixed Price with Economic Price Adjustment
FP/PRD	Fixed Price with Prospective Price Redetermination
FP/RPD	Fixed Price with Retroactive Price Determination
FPIF	Fixed Price Incentive Fee
FPIS	Fixed Price Incentive Successive
FPR	Forward Pricing Rate
FPRA	Forward Pricing Rate Agreement
FPRR	Forward Pricing Rate Recommendation
FY	Fiscal Year
G&A	General and Administrative
GUI	Graphical User Interface
IBR	Independent Baseline Review
ICE	Independent Cost Estimate
IR	Infrared
LC	Letter Contract
LRIP	Low-Rate Initial Production
MDAP	Major Defense Acquisition Program
MD	Materiel Developer
MDAP	Major Defense Acquisition Program
MIL-HDBK	Military Handbook
MIL-STD	Military Standard
MYP	Multi-Year Procurement
NCCA	Naval Center for Cost Analysis
NDA	Non-Disclosure Agreement
OIPT	Overarching Integrated Product Team
OMB	Office of Management and Budget
OSD	Office of the Secretary of Defense
PA&E	Program Analysis and Evaluation
PCO	Procuring Contracting Officer
PEO	Program Executive Officer
PKI	Public Key Infrastructure
PM	Program Manager
POC	Point of Contact
POE	Program Office Estimate
PWBS	Program Work Breakdown Structure
R&D	Research and Development
RDT&E	Research, Development, Test and Evaluation
RFP	Request For Proposals
RGP	Rate Gyro Package
S/MIME	Secure/Multipurpose Internet Mail Extensions
SAR	Selected Acquisition Report
SE	Systems Engineering
SEA	Seeker Electronics Assembly
SRDR	Software Resources Data Report
SSL	Secured Socket Layer
TIF	Tagged Image File

WBS	Work Breakdown Structure
WIP	Work-In-Process
XML	Extensible Markup Language

C1. CHAPTER 1
INTRODUCTION

C1.1. BACKGROUND

C1.1.1. The Contractor Cost Data Reporting (CCDR) system, as it exists today, is the product of over 50 years of events and decisions within the defense community that have affected the quality and utility of the data it contains. This Manual, developed jointly by the Office of the Secretary of Defense (OSD) and the Services with industry participation, serves as the primary source of information about operation and use of the CCDR system. This revision to the Manual results largely from the ongoing joint efforts of the Department of Defense and industry stakeholders under the leadership of the Defense Cost and Resource Center (DCARC) to reengineer the CCDR system. Their focus was on improving the quality, utility, and availability of the data for cost-estimating purposes. At the same time, they tried to streamline reporting to minimize the burden on DoD contractors who prepare CCDR reports. This revision also incorporates changes made in DoD Directive 5000.1, "The Defense Acquisition System" (reference (e)), and DoD Instruction 5000.2, "Operation of the Defense Acquisition System (reference (c)).

C.1.1.2. The Manual restates mandatory guidance found in reference (c) and contains CCDR requirements and instructions for contractors, program offices, and other stakeholders to facilitate CCDR planning and reporting. This Manual also ensures that contract planning is adequate and that appropriate contractual language is used to make the intended reporting requirements contractually binding.

C1.2. WHY A CCDR SYSTEM?

C1.2.1. A system for accumulating actual contractor costs is necessary for the Department of Defense to analyze costs efficiently and effectively. Actual cost experiences on past and current acquisition programs form the bases of projections of the costs of future systems. There are no alternatives to this practice. When defense cost analysts are faced with projecting future costs, they need to get actual costs (or "actuals") one way or another. Furthermore, the need for actuals has increased with the flow of new challenges presented to defense cost analysts, particularly in terms of changing budget and military weapon system requirements.

C1.2.2. More than 40 years ago, the Department of Defense committed itself to systematically collecting actual costs rather than relying on ad hoc, unmanaged, inefficient methods. Building on its predecessors, the CCDR is the current DoD collection system for actual costs. This collection system is intended to feed the Department of Defense's cost analysis database that is expected to service all DoD cost analysis and program management offices.

C1.2.3. If the Department of Defense reverted to ad hoc, unmanaged collection of actuals, the overall costs of performing cost analysis within the Department of Defense could be expected to rise substantially. The undesirable effects would include the following: limited application with nonstandard data focus; uncoordinated, inefficient,

and duplicative collection activities; lower productivity in cost analysis offices; more disruption of contractor activities; increased cost to obtain actuals; fragmented data in nonstandard form; inability to identify previously collected data; and inability to easily gain access to data.

C1.2.4. The main purpose of the CCDR system is to serve as the primary contract cost database for most DoD cost-estimating efforts. This database can be used in estimating total program acquisition costs (includes work preformed by both contractors and the government), the total of all program contracts (awarded and future) for a particular contractor (referred to as contractor program estimate), and individual contract costs. More specifically, all the DoD Components shall use the CCDR system to do the following:

C1.2.4.1. Prepare program acquisition cost estimates for major systems reviewed by the Defense Acquisition Board (DAB) and the Component Acquisition Executive (CAE). The database supports the cost-estimating requirements for programs for which the DoD Components are responsible. The database is intended primarily to support development of parametric estimating models for use in deriving independent cost estimates. This purpose refers to the activities of cost analysis organizations that prepare cost estimates for major weapon systems that ultimately are presented to the DAB and CAE at system milestone reviews. These estimates include Program Office Estimates (POEs) prepared by or for system Program Managers in the Military Departments, Component Cost Analyses (CCAs) prepared by Service organizations other than the program offices (usually Service cost centers or agencies), and Independent Cost Estimates (ICEs) prepared mainly by Service cost centers and the Cost Analysis Improvement Group (CAIG) in the Office of the Director, Program Analysis and Evaluation (PA&E) in OSD.

C1.2.4.2. Develop independent government contract cost estimates in support of cost and price analyses. The CCDR database can be used to estimate future contract costs.

C1.2.4.3. Develop estimates to support Analyses of Alternatives (AOAs), Cost as an Independent Variable (CAIV), and long-range planning efforts.

C1.2.5. The nature of these estimates differ substantially depending on the point in time the estimate is made, where time is measured in terms of the life of the acquisition program. Early in a program's life (Milestone A, Entry into the Concept and Technology Development Phase), a weapon system is usually described broadly in terms of its performance characteristics (e.g., range, speed, payload, etc.). At such times, few technical details are firmly established. At this point, cost estimates are usually derived at the weapon system flyaway/rollaway level[3] using methods that use performance

[3] Flyaway/rollaway includes three of the level 2 WBS elements in MIL-HNBK-881 (reference (d)) (prime mission equipment, system engineering/program management, and system test and evaluation). The remaining level 2 elements (training, common support equipment, peculiar support equipment, data, operational site activation, initial spares, and facilities) are excluded.

characteristics as independent variables. These methods are usually referred to as parametric estimating.

C1.2.6. The CCDR system addresses the need for cost estimates during contracting, particularly for the system development and demonstration, production, and deployment phases of an acquisition. During contracting, more is known about the physical and technical characteristics of the system. Armed with more detailed descriptions of the system and its component parts, cost analysts rely on cost-estimating relationships (CERs), methods that relate physical and technical characteristics to cost as well as engineering build-up methods. In developing such estimates, weapon systems are described in terms of program and contract Work Breakdown Structures (WBSs). Separate estimates are usually prepared for individual WBS elements; some estimates correspond to separate contracts and others correspond to line items in contracts. Estimates of the costs of these elements are intended to aid in contract negotiations. These component estimates are then combined with other data to arrive at a system-level estimate.

C1.3. COMPONENTS OF THE CCDR SYSTEM

The main components of the CCDR system are the DD Form 2794, "Cost and Software Data Reporting Plan," and two reports, DD Form 1921, "Cost Data Summary Report" and DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report." These components are described in the following paragraphs. On October 1, 2003, DD Form 1921-1, "Functional Cost-Hour Report," and DD Form 1921-2, "Progress Curve Report," will be consolidated into one report. Use of the new DD Form 1921-1 "Functional Cost-Hour and Progress Curve Report," is mandatory for all new contracts signed after October 1, 2003; its use is optional for existing contracts.

C2. CHAPTER 2
CONTRACTOR COST DATA REPORTING (CCDR) REQUIREMENTS

C2.1. INTRODUCTION

C2.1.1. DoD Directive 5000.1, "The Defense Acquisition System" (references (e)), and DoD Instruction 5000.2, "Operation of the Defense Acquisition System" (reference (c)), provide mandatory policies and procedures for managing acquisition programs, except when statutory requirements override. If there is any conflicting guidance pertaining to contracting, the current edition of the Federal Acquisition Regulation (FAR) or the Defense FAR Supplement takes precedence.

C2.1.2. Reference (e) authorizes publication of reference (c) and establishes policies and principles for all DoD acquisition programs. Reference (c) establishes a simplified and flexible approach for managing all acquisition programs and implements DoD reference (e). It also makes the Cost Analysis Improvement Group (CAIG) responsible for preparing independent cost estimates on all Acquisition Category (ACAT) ID programs and any ACAT IC programs requested by the Under Secretary of Defense (Acquisition, Technology, and Logistics). DoD Directive 5000.4, "Cost Analysis Improvement Group (CAIG)" (reference (a)), requires the CAIG "to establish policy guidance on the CCDR System, and to monitor its implementation to ensure consistent and appropriate application throughout the DoD."

C2.1.3. This chapter identifies major organizational responsibilities (section C2.2), summarizes the system components (section C2.3), describes the mandatory policy (C2.4), explains the processing requirements (section C2.5), shows detailed implementation responsibilities by organization (section C2.6), and summarizes other related guidance (section C2.7).

C2.2. GENERAL ORGANIZATIONAL RESPONSIBILITIES

This section summarizes the overall responsibilities for the key DoD stakeholders in the CCDR process. More detailed policy and processing responsibilities are shown in section C2.6.

C2.2.1. The CAIG Chair is responsible for providing overall CCDR policies for Acquisition Category (ACAT) IC, ID, II, and III programs. The CAIG Chair shall provide specific guidance for and administer all ACAT IC and ID programs.

C2.2.2. The Service cost centers shall provide specific policy and implementation guidance for ACAT II and III programs. The Service cost centers shall administer ACAT II programs, while the Service commodity commands/centers shall administer ACAT III programs.

C2.2.3. DoD Program Managers (PMs) shall prepare and obtain approval for Program and Contract Cost and Software Data Reporting Plans, shall place approved CSDR Plan

requirements on contract, and shall ensure that contractors comply with the CCDR contractual provisions.

C2.2.4. The Cost Working-Level Integrated Product Team (CWIPT) shall identify cost analysis requirements for programs and contracts to facilitate the preparation of timely, high-quality cost estimates and shall advise the PM accordingly. The CWIPT is the CCDR customer who advises the PM on cost analysis requirements for programs and contracts to facilitate the preparation of timely, high-quality cost estimates. The CWIPT typically should include but not be limited to designated cost analysts from the CAIG, the DoD Component cost center/agency, the DoD Component commodity command/center, the program office, and the representative contractors, as appropriate. The CWIPT generally includes participation by the PM's Earned Value Management System (EVMS) and Systems Engineering (SE) representatives to assist in building the WBS. The need for additional EVMS and SE participation at other DoD levels is left to the discretion of the PM and the CWIPT. Other parties with an interest in CCDR system implementation are encouraged to participate in the CWIPT deliberations regarding CCDR requirements. The DoD Component is responsible for identifying the DoD Component analyst to participate in the CWIPT effort.

C2.2.5. The Defense Cost and Resource Center (DCARC) shall administer the CCDR system for ACAT IC and ID programs and advise the CAIG Chair on CCDR policies and processing.

C2.2.6. Reporting contractors shall prepare and submit CCDR reports in accordance with their contractual requirements.

C2.3. DESCRIPTION OF CCDR COMPONENTS

C2.3.1. The main components of the CCDR system are described in the following paragraphs.

C2.3.1.1. DD Form 2794, "Cost and Software Data Reporting Plan." This form, referred to as the CSDR Plan, specifies the work breakdown structure (WBS) elements, the specific report format and the reporting frequency. The CSDR Plan shall be prepared in accordance with the instructions in this chapter.

C2.3.1.2. DD Form 1921, "Cost Data Summary Report." This form captures all contract WBS elements at the level specified in the CSDR Plan and includes both recurring and nonrecurring breakouts. This form shall be prepared in accordance with Data Item Description (DID) DI-FNCL-81565A.

C2.3.1.3. DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report." Beginning October 1, 2003, the DD Form 1921-1, "Functional Cost-Hour Report," and DD Form 1921-2, "Progress Curve Report," will be consolidated into one report, DD Form 1921-1 "Functional Cost-Hour and Progress Curve Report." This report shall be prepared in accordance with DID DI-FNCL-81566A. Use of the new form is

mandatory for all new contracts signed after October 1, 2003; its use is optional for all existing contracts awarded before October 1, 2003.

C2.3.1.3.1. Part I of the new form, Functional Cost-Hour Report, is directed at selected WBS elements where more detailed cost data are needed. It contains a functional breakout (e.g., engineering and manufacturing) and a cost element breakout (e.g., direct labor and material) within functional categories.

C2.3.3.1.2. Part II, Progress Curve Report, captures recurring costs on lot or unit data for selected WBS elements.

C2.4. MANDATORY POLICIES

C2.4.1. CCDR reporting and processing requirements shall be determined by ACAT program category (see reference (c) for specific guidelines) and the value of individual contracts and subcontracts within the program. The rules governing contract value are the same for all contracts and subcontracts within all categories except ACAT IA programs, which are currently exempt from CCDR reporting.

C2.4.2. CCDR coverage generally extends from Milestone B or the equivalent to the completion of production in accordance with procedures described in this section. CCDRs are also required on advanced development prototype programs that occur during the Concept and Technology Development phase (pre-Milestone B).

C2.4.3. CCDRs are required on all ACAT IC and ID contracts and subcontracts valued at more than $50 million (FY 2002 constant dollars). CCDR requirements can be placed on high-risk or high-technical-interest contracts that are priced between $7 million and $50 million when justified for cost estimating needs. CCDR reporting is not required on contracts priced below $7 million. These same reporting policies apply to ACAT II and III programs; however, specific program reporting is left to the discretion of the individual Service cost centers or commands.

C2.4.4. For ACAT IC and ID programs, all Program and Contract CSDR Plans must be submitted to the DCARC for CAIG Chair approval. Program plans must be approved before issuing a solicitation to industry. Contract plans must be approved before awarding the contract. If the plan is changed after contract award, an amended Contract Plan must be submitted to the CAIG Chair for approval. The plans shall reflect the proposed collection of cost data, by WBS, for a program and contract. The plans will also identify the specific report required and specify reporting frequency.

C2.4.5. The following policies guide the preparation of the CSDR Plan for all ACAT IC, ID, II, and III programs. The level of detail and frequency of reporting for ACAT II and III programs normally shall be less stringent than the level and frequency applied to ACAT I programs, as specified in the following subparagraphs.

C2.4.5.1. Routine reporting shall be at contract WBS level 3 for prime contractors and subcontractors to include all lower tiers. Only lower-level elements that address high-risk, high-value, or high-technical-interest areas of a program shall require detailed reporting below level 3 as proposed by the CWIPT and approved by the CAIG Chair.

C2.4.5.2. CCDRs are fundamentally a "returned" (or actual) cost reporting system. For production, reporting contractors normally shall submit CCDR reports upon the delivery of each annual lot. For development contracts, reporting contractors typically shall file CCDR reports after such major events as first flight or completion of prototype lot fabrication, before major milestones, and upon contract completion. In general, quarterly, semiannual, and annual reporting requirements do not meet the above guidance.

C2.4.5.3. A copy of the final CSDR Plan approved for the program shall be included in the Cost Analysis Requirements Description (CARD). If the Plan has not yet been approved, include a copy of the proposed draft CSDR Plan as submitted to the DCARC for ACAT IC and ID programs or to the designated Service CCDR focal point if the program is an ACAT II or III program.

C2.4.6. The CSDR planning and reporting process shall remain flexible to accommodate the Department of Defense's preferred evolutionary acquisition strategy to include both spiral and incremental development approaches.

C2.5. MANDATORY PROCESSING REQUIREMENTS

Processing guidelines are identical for ACAT IC, ID, II, and III programs. The individual Services have the discretion to deviate from those guidelines for ACAT II and III programs; however, no DoD Component shall add mandatory requirements that are greater than those specified for ACAT IC and ID programs.

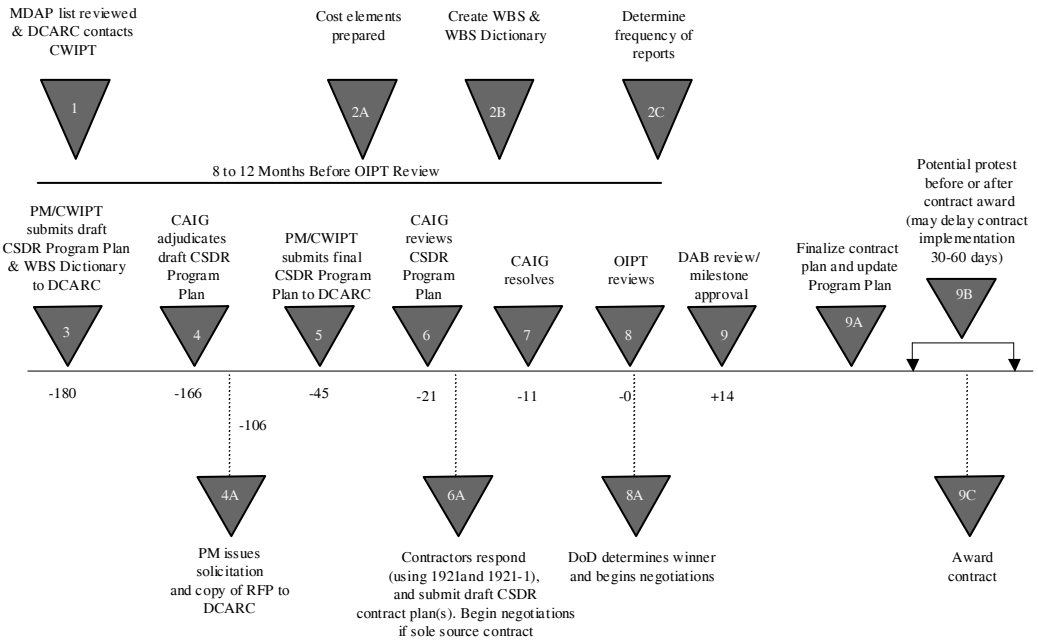
C2.5.1. Major CCDR System Activities

C2.5.1.1. The CCDR process typically begins after Milestone A (Concept Decision) during the Concept Refinement and Technology Development phase in preparation for Milestone B (Program Initiation). The process shall be repeated during Phases B, System Development and Demonstration, in preparation for Milestones C, and Phase C, Production and Deployment.

C2.5.1.2. The activities shall be designed to begin reporting estimated costs in response to the solicitation to industry for Phase A contract awards that include advanced prototype development. Phase A contracts without prototype requirements may also have CCDR reporting if proposed and justified in the CSDR Plan approval process. Reporting of actual costs shall begin after award of the Phase A contract.

C2.5.1.3. Figure C2.F1 is a timeline of the major activities that must be followed during the CSDR planning process for ACAT ID programs. Each Component has its own process for ACAT IC programs but still require CAIG Chair approval for all Program and Contract CSDR Plans. Section C2.6 shows specific organizational responsibilities for performing each of the activities.

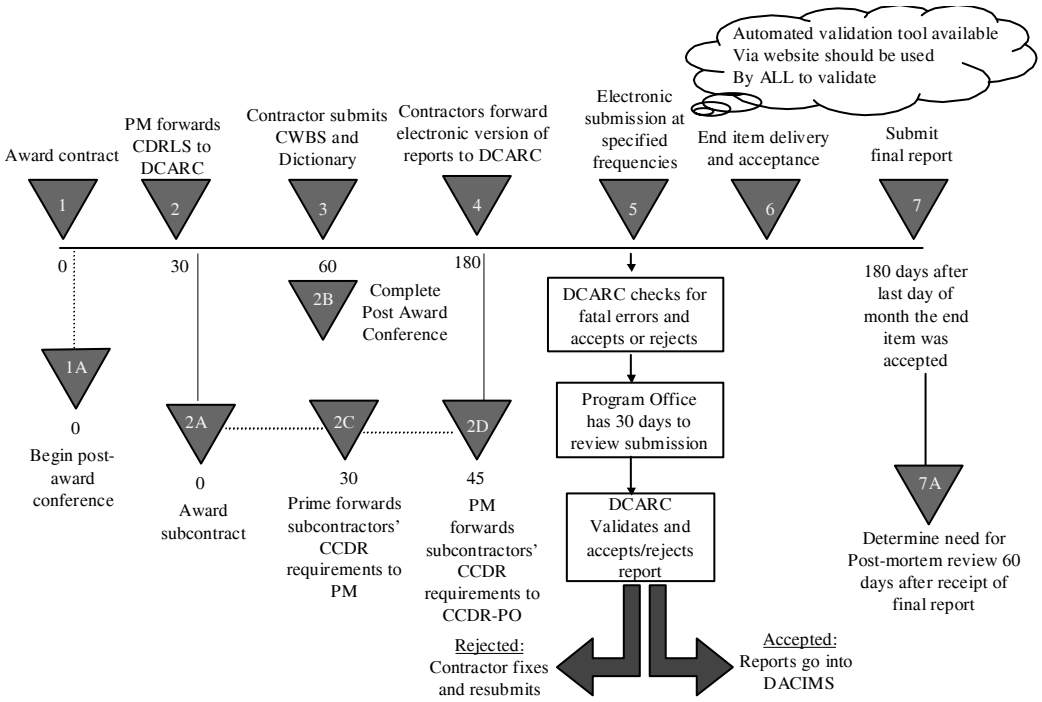
Figure C2.F1. Developing the CCDR Program and Contract Plans



C2.5.1.4. Figure C2.F2 is a timeline of the activities that must be followed during the execution of the planning process for ACAT ID programs. Section C2.6 shows specific organizational responsibilities for performing each of the activities.

C2.5.1.5. The reporting period for development and production contracts shall end 180 days after the end of the month in which the final major end item was delivered and accepted. The 180 days consists of the “as of” date that is 120 days after the month of final delivery and an additional 60 days for submission time.

Figure C2.F2. Executing the CSDR Program Plan



C2.5.2. CCDR Processing Components

The requirements associated with each component apply to all contracts and subcontracts within a program.

C2.5.2.1. CSDR Plan. There are two types of cost reporting plans: Program Plans and Contract (or Subcontract) Plans. In this document, the term "CSDR Plan" refers to both types. If the information presented involves only one plan, the particular plan type is specified.

C2.5.2.1.1. Approval Requirements. The CAIG Chair shall review and approve all ACAT IC and ID CSDR Plans and any subsequent changes, including all block changes and contract options, before contract award or modification. For example, if a new end item is added to the contract, a revised CSDR Plan shall be submitted to the DCARC for CAIG approval prior to contract award. The CSDR Plans shall also be updated to reflect current policy regarding CCDR requirements before any new contract or major modification is made. Typically this occurs as part of the milestone decision process. However, if the CCDR requirements do not change at this time, the PM must submit a memorandum to the DCARC advising that the most recently approved plan is still in effect.

C.2.5.2.1.2. Electronic Submission. Beginning October 1, 2003, all new CSDR Plans must be submitted electronically using the templates on the DCARC Web site (http://dcarc.pae.osd.mil).

C2.5.2.2. Subcontractor Reporting. For subcontractor reporting, the requirement for the CSDR Plan and any subsequent reporting must be included in the prime contractor's contract with the subcontractor. Based on the flow down of requirements, the prime and subcontractors shall have identical reporting requirements (report type, frequency, and method of transmission). The contract and subcontract WBS elements are different but complementary. The subcontractor's reporting requirements must be included in the prime contractor's CSDR Plan. A separate Contract CSDR Plan for the subcontractor shall be prepared and submitted for CAIG approval.

C2.5.2.3. WBS and Dictionary. The WBS is a product-oriented structure composed of hardware, software, services, data, and facilities. This structure shall be closely developed with systems engineering efforts and other area experts, as appropriate, during the acquisition of a defense materiel item using MIL-HDBK-881, reference (d) as guidance. Each major program requiring CCDR reporting falls into one of seven WBS templates for weapon system commodity areas specified in reference (d): Aircraft Systems, Electronic/automated Software Systems, Missile Systems, Ordnance Systems, Ship Systems, Space Systems and Surface Vehicle Systems.

C2.5.2.3.1. The WBS shall include the WBS Dictionary, which describes each program/contract WBS element throughout the life of the contract. The reporting contractor shall prepare and submit the contract dictionary within 60 days of contract award. The reporting contractor shall maintain and update the WBS Dictionary throughout the life of the contract. The dictionary shall not be submitted more frequently than report submissions.

C2.5.2.4. Contract Types. All contract types require CCDR reporting. However, the PM may request a waiver for selected FFP contracts that were competitively awarded as long as competitive conditions continue to exist. This provision shall apply to all ACAT IC, ID, II, and III programs with CCDR requirements. The CAIG Chair has waiver approval responsibility for ACAT IC and ID programs and the designated Service representative has responsibility for ACAT II and III programs.

C2.5.2.5. Report Formats. DD Form 1921, "Cost Data Summary Report," shall be required on all ACAT IC and ID contracts and subcontracts during the reporting period specified in paragraph C2.4.2 and meet the dollar-value thresholds specified in paragraph C2.4.3. DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report," shall apply to the total contract level as well as to the selected WBS elements. Specifically, Part I, Functional Cost-Hour Report, shall apply to selected WBS elements of high risk, high value, or high technical interest. Part II, Progress Curve Report, shall be required on high-risk or -quantity programs from Research and Development (R&D) through LRIP and the first full rate production buy. Part I shall also be required on any element requiring a Part II report.

C2.5.2.6. Reporting Frequency and Due Dates. DD Forms 1921 and 1921-1 that reflect estimated costs shall be marked "initial" and submitted electronically to the DCARC within 180 days of contract award for development contracts and for first full-

rate production contracts or 60 days after the Integrated Baseline Review (IBR) has been completed or approved, whichever occurs later. These initial reports must contain estimates at completion (EACs) for each reporting element. Subsequent reports shall be submitted as specified in the contract. The purpose of the initial submission is to ensure reporting consistency with the Contract Data Requirements List (CDRL) and CSDR Plan. Final reports shall be prepared, marked final, and submitted 180 days after the end of the month in which the final major end item was delivered and accepted (or 60 days after the "as of" date). All final reports shall include EACs for any reported element where actual costs incurred are less than 100 percent of their respective EACs.

C2.5.2.7. CCDR Report Media. All CCDR reports must be submitted electronically. Reports for new or modified ACAT program I contracts, awarded after October 1, 2003, must be submitted as secure email attachments, using a certificate issued by the DCARC for encryption and digital signature. The reports must use the standard Microsoft Excel template or the CCDR Pre-processor tool when it becomes available. The existing Pre-processor does not support the new report formats.

C2.5.2.7.1. Reports for unmodified contracts awarded before October 1, 2003, which have been submitted via Electronic Data Interchange (EDI) format, may either use the above format, or may continue to use the EDI format (Transaction Set 196, version 4010, of the EDI convention). However, DCARC will work with individual contractors to phase-out EDI reporting. EDI format reports must also be submitted electronically as secure email attachments, using a certificate issued by the DCARC for encryption and digital signature.

C2.5.2.7.2. The Excel template, XML guidance, the Pre-processor tool, and links to request a DCARC certificate are available at the DCARC web site (http://dcarc.pae.osd.mil).

C2.5.2.7.3. The DCARC is currently upgrading the Pre-processor tool and developing an EDI/Extensible Markup Language (XML) data exchange. Once complete, this new system will allow secure, direct data input. Upon completion of the system, the DCARC staff will work with individual contractors to establish a migration plan to the new EDI/XML system.

C2.6. SPECIFIC POLICY AND PROCESSING RESPONSIBILITIES

This section summarizes detailed policy and processing responsibilities by major CCDR stakeholder.

C2.6.1 Cost Analysis Improvement Group (CAIG)

As noted in section C2.2, the CAIG Chair is responsible for providing overall CCDR policies for ACAT IC, ID, II, and III programs. The CAIG Chair shall also provide specific guidance for and administer ACAT IC and ID programs. More specific responsibilities include the following.

C2.6.1.1. The CAIG Chair must approve all ACAT I Program and Contract CSDR Plans and any subsequent changes before issuing a solicitation to industry and awarding the contract, respectively. Changes subsequent to contract award also require CAIG Chair approval. CAIG approval action must occur within 14 days of plan receipt.

C2.6.1.2. The CAIG Chair can waive CCDR reporting on competitively awarded firm-fixed price contracts on procurement of commercial systems or for noncommercial systems as long as competitive conditions will continue to exist.

C2.6.2 Service Cost Centers

As noted in section C2.2, the Service cost centers shall provide specific policy and implementation guidance for ACAT II and III programs. The Service cost centers also shall administer ACAT II programs, while the Service commodity commands/centers shall administer ACAT III programs. More specific responsibilities include the following.

C2.6.2.1. Service cost centers or the designated DoD Component representative shall designate, by title, an official to:

C2.6.2.1.1. Ensure that policies and procedures are established for implementing the CCDR system in accordance with this section, including storage of CCDR data and distribution to appropriate DoD officials.

C2.6.2.1.2. Review all ACAT IC and ID CSDR Plans and Plan changes for compliance with CCDR guidance and submit them to the DCARC for review and submission to the CAIG Chair for approval.

C2.6.2.1.3. Advise the CAIG Chair annually through the DCARC on the status of all CCDR programs, and on delinquent or deficient reporting and remedial action being taken.

C2.6.2.2. Service cost centers shall designate a cost analyst to be on the CWIPT for each of their Component programs.

C2.6.2.3. Service cost centers shall assess the need for field reviews of programs lower than ACAT I.

C2.6.3 DoD Program Managers (and CWIPT)

As noted in section C2.2, DoD Program Managers (PMs), in coordination with the CWIPT, shall prepare and obtain approval for Program and Contract (or Subcontract) CSDR Plans, shall place approved plan requirements on contract, and shall ensure that reporting contractors comply with the CCDR contractual provisions. This section includes more specific PM responsibilities and the interrelated cost analysis responsibilities of the CWIPT.

C2.6.3.1. The DoD PM, in coordination with the CWIPT, shall begin planning for CCDR reporting between 8 and 12 months before the Overarching Integrated Product Team (OIPT) Milestone B review. The PM shall ensure that all the appropriate CCDR stakeholders for ACAT IC and ID programs are included in the CWIPT planning process.

C2.6.3.2. The DoD PM, in coordination with the CWIPT, shall complete the draft Program Plan and WBS Dictionary in time to meet the earlier date of the following two events: submission of the Program Plan with the draft CARD to the CAIG and submission of the Program Plan to the DCARC. The PM shall include the Program Plan in the draft CARD, which is due approximately 180 days before the OIPT meets. Simultaneously, the CWIPT shall submit a copy of the Program Plan to the DCARC. The PM shall also complete and submit the Program Plan to the DCARC no later than 60 days before the solicitation to industry. The DoD PM shall forward all Program and Contract Plans to the DCARC for CAIG Chair approval and shall include a cover memorandum (e-mail is sufficient) that identifies those individuals and organizations outside the PM's organization that coordinated on the plan (e.g., CWIPT members and Service cost center representatives).

C2.6.3.3. The DoD PM, in coordination with the CWIPT, shall determine, when justified for cost estimating purposes, that CCDR requirements can be placed on high-risk or high-technical-interest contracts priced between $7 million and $50 million (FY 2002 dollars).

C2.6.3.4. The DoD PM, in coordination with the CWIPT, shall determine CCDR frequency to meet the needs of the program for cost data early in CSDR planning.

C2.6.3.5. The DoD PM, in coordination with the CWIPT, shall develop the WBS in accordance with MIL-HDBK-881 (reference (d)) but can deviate from this guidance if justified by unique programmatic requirements. The PM Based upon the advice of the CWIPT, the PM shall ensure that there is only one program WBS and one contract WBS for each contract. The program WBS submitted with the CARD shall agree with the Program Plan WBS as noted in reference (b). Any differences must be identified and explained when the latest of the two documents is submitted.

C2.6.3.6. In the Remarks section of the Program Plan, the DoD PM shall provide the names and addresses of associate contractors and lower tier subcontractors who potentially meet the CCDR reporting thresholds, along with the specific WBS elements and key technical characteristics for which they are responsible. If any of these elements are not known when the plan is submitted, the PM shall submit a revised plan when the information becomes available.

C2.6.3.7. The DoD PM, in coordination with the CWIPT, shall ensure the results of the approved Program CSDR Plan are contained in the draft Contract CSDR Plan used in the solicitation to industry.

C2.6.3.8. Before issuing the Request for Proposals (RFP), the DoD PM shall forward to the DCARC an extract of the RFP that contains CCDR requirements.

C2.6.3.9. The DoD PM shall forward one copy of the CDRL items that establish the WBS, WBS Dictionary, and CCDR requirements to the DCARC within 30 days after the contract containing such requirements is awarded. Signed CDRL items must be submitted in electronic form. For subcontractors with reporting requirements that refer to the prime contractor's CSDR Plan, the prime contractor shall electronically forward the reference and the prime contractor's Plan to the DoD PM. The PM, in turn, shall review and forward the electronic documents to the DCARC within 15 days of receipt. The PM shall finalize the Contract Plan, update the Program Plan, if necessary, and forward both to the DCARC for final review and approval before contract award.

C2.6.3.10. The DoD PM, in coordination with the CWIPT, shall require reporting contractors to submit DD Form 1921 or 1921-1 in response to the solicitation when CCDR requirements are to be placed on contract. The PM shall make every effort to keep the reports to a minimum to help streamline solicitation responses. The PM shall incorporate the content of the approved CSDR Plan and Dictionary into the solicitation.

C2.6.3.11. The DoD PM, in coordination with the CWIPT, shall request DD Forms 1921 and 1921-1 to support development of program estimates and annual cost estimates based upon the advice of the CWIPT.

C2.6.3.12. The DoD PM, or the designated DoD Component representative, shall provide the status of CCDR processing, including the CSDR Plan and any applicable previous CDDR reports, at the CAIG review held 21 days before the OIPT review.

C2.6.3.13. The DoD PM, in coordination with the CWIPT, shall submit the final Program CSDR Plan and WBS Dictionary with the final CARD to the CAIG and the DCARC 45 days before the OIPT review.

C2.6.3.14. The DoD PM shall assist the DCARC in ensuring that reporting contractors promptly resolve all reporting deficiencies identified by DCARC during the validation process.

C2.6.3.15. The DoD PM shall coordinate any proposed revisions to the approved Plan with the CWIPT before submission to the DCARC for CAIG review and approval prior to contract award. The PM shall include the approved CSDR Plan requirements in the contract award and ensure that contracting officials do not deviate from them.

C2.6.3.16. The DoD PM shall file CCDR reporting concerns and comments through the DCARC.

C2.6.4. CWIPT

As noted in section C2.2, the Cost Working-Level Integrated Product Team (CWIPT) shall identify cost analysis requirements for programs and contracts to facilitate the preparation of timely, high-quality cost estimates and advise the PM accordingly. Refer to paragraph C2.6.3 for specific CWIPT advisory responsibilities. The CWIPT also has the specific responsibility to coordinate within the DoD Component in accordance with established CCDR policies and procedures.

C2.6.5 DCARC

As noted in section C2.2, the DCARC shall administer the CCDR system for ACAT IC and ID programs and advise the CAIG Chair on CCDR policies and processing. In this capacity, the DCARC serves as the CAIG Chair's primary representative on all CCDR matters. More specific responsibilities are explained in the following subparagraphs.

C2.6.5.1. The DCARC shall be the primary office for final receipt, validation, acceptance, and distribution of CCDR reports for ACAT IC and ID programs. The DCARC shall notify the reporting contractor, the responsible PM, and the cognizant Program Executive Officer (PEO) of any discrepancies identified during the validation process and ensure they are resolved in a timely manner.

C2.6.5.2. The DCARC shall follow-up with the PM and CWIPT to ensure that the issued solicitation is consistent with the approved Program Plan and WBS Dictionary.

C2.6.5.3. The DCARC shall periodically assess (at least annually) the need for field reviews of contractor implementation of CCDR reporting for ACAT I programs.

C2.6.5.4. The DCARC Director shall provide the status of the CCDR processing for ACAT ID programs to the CAIG Chair with recommended action items, if appropriate, no later than 26 days before the OIPT review.

C2.6.5.5. The DCARC, in coordination with the CWIPT, the reporting contractor, and other interested stakeholders, such as the Defense Contract Audit Agency (DCAA) and the Defense Contract Management Agency (DCMA), shall determine the need to perform a post-mortem review of the final CCDRs within 60 days after the final report is received. If needed, the DCARC shall lead the review effort.

C2.6.5.6. The DCARC shall establish electronic reporting requirements after consultation and coordination with defense industry representatives.

C2.6.6. Reporting Contractors

As noted in section C2.2, reporting contractors shall prepare and submit CCDR reports in accordance with their contractual requirements. More specific responsibilities are described in the following subparagraphs.

C2.6.6.1. Reporting contractors shall provide estimates on DD Forms 1921 and 1921-1 and submit a recommended draft Contract Plan as part of the response to the solicitation.

C2.6.6.2. Reporting contractors shall submit the final contract WBS and Dictionary within 60 days of contract award.

C2.6.6.3. Reporting contractors shall prepare CCDR reports in accordance with contractual requirements, including the appropriate Data Item Descriptions (DIDs), which shall reference and comply with the mandatory guidance contained in this Manual. Contractors must provide report data electronically for all new contracts awarded after October 1, 2003.

C2.6.6.4. Reporting contractors shall submit interim reports within 60 days after the end of the reporting period as specified in the CSDR Plan.

C2.6.6.5. Reporting contractors shall forward the Contract and lower tier Subcontract Plans to the DoD PM for review and, if necessary, update the Program Plan, before submission to the DCARC for CAIG Chair approval. For subcontractor reporting, the prime contractor shall forward the subcontract reference that specifies the reporting requirement to the DoD PM within 30 days of subcontract award.

C2.6.6.6. Reporting contractors shall forward to the DCARC an electronic copy of each DD Form 1921 and 1921-1 that is contractually required within 180 days of contract award or 60 days after the Integrated Baseline Review (IBR) has been completed and approved, whichever occurs later.

C2.6.6.7. Subcontractors and other lower tier contractors shall send their CCDR reports directly to the DCARC to facilitate processing. If the subcontractor agrees, a copy of the report may be provided concurrently to the prime or other higher tier contractor.

C2.6.6.8. Reporting contractors shall promptly resolve any discrepancies identified by the DCARC during the validation process.

C2.7. OTHER GUIDANCE

C2.7.1. Defense Contract Audit Agency (DCAA) Guidance

C2.7.1.1. Section 11-306 of Defense Contract Audit Agency Manual (DCAAM) 7640.1M, “DCAA Contract Audit Manual,” Volume 2 (reference (f)), establishes DCAA

audit responsibilities involving the CCDR system. The Manual directs DCAA auditors to evaluate the effectiveness of the contractor's system, policies, and procedures for accumulating data and preparing CCDRs at least once each year. The Manual also requires auditors to prepare and submit audit reports documenting the results of their review to the Administrative Contracting Officer (ACO) and provide copies to the designated Component official responsible for CCDR reporting and to the DCARC.

C2.7.1.2. The DCAA is currently working on interim guidance that will clarify and expand their participation in the CCDR review process.

C2.7.2. Defense Contract Management Agency (DCMA) Guidance.

The DCMA issued Information Memorandum 030222, CCDR and Contractor Purchasing System Reviews (CPSRs), on April 25, 2003. This memo specifies that appropriate DCMA personnel will verify CCDR flow-down requirements to subcontractors as contained in the CDRLs and related DIDs during the CPSR reviews. The ACO will report any violations to the DCARC at ccdrpo@osd.mil.

C3. CHAPTER 3
DOD PLANNING AND CONTRACTING

C3.1. GENERAL GUIDELINES

C3.1.1. DD Form 2794, "Cost and Software Data Reporting Plan," referred to as the CSDR Plan, is the key document in establishing reporting requirements throughout each phase of an acquisition program. The CSDR Plan is needed for both the RFP process and the contract award process. Its primary purposes are to serve as the reference document for placing data requirements on contract, as the source document used to compare with actual reporting data from contractors to ensure that data are reported as planned, and, along with the WBS Data Dictionary, as the source document to compare data plans and definitions with different WBS levels and weapon systems. The remainder of this section describes the general guidelines for preparing the CSDR Plan. Section C3.2 provides detailed instructions for completing DD Form 2794. Section C3.3 describes procedures for placing CCDR and Software Resources Data Report (SRDR) requirements on contract. Detailed guidance about the SRDR system can be found in DoD 5000.4-M-2, "Software Resources Data Report Manual" (reference (g)).

C3.1.2. The format for DD Form 2794, shown in figure C3.F3, reflects the proposed collection of CCDR and SRDR data by program or contract, including reporting elements (e.g., WBS elements), report type, and frequency of reporting. The CSDR Plan may be for the entire program or for an individual contract within a program. For ACAT I programs, the PM prepares the Plan in conjunction with the Cost Working-Level Integrated Product Team (CWIPT) and the Cost Analysis Improvement Group (CAIG) approves it. For ACAT II and III programs, the PM prepares the Plan in accordance with the designated DoD Component's procedures. The participation of all appropriate CCDR and SRDR stakeholders in the early development of the CSDR Plan facilitates communication about program and contract cost estimating throughout the acquisition life cycle. ACAT I Program Plans must be submitted with the Cost Analysis Requirements Description (CARD) 180 days before the appropriate milestone decision and in sufficient time to include the results of the CAIG review in the solicitation to industry.

C3.1.3. DoD Program Managers (PMs) shall use either Microsoft Word or Microsoft Excel to complete an electronic version of DD Form 2794. PMs are encouraged to use the automated Excel form available from the DCARC Web site to help them develop the CSDR Plan (http://dcarc.pae.osd.mil/ccdr_formstools.htm).

Figure C3.F3. DD Form 2794, "Cost and Software Data Reporting Plan," Page 1

COST AND SOFTWARE DATA REPORTING PLAN

Form Approved
OMB No. 0704-0188

Public reporting burden for this collection of information is estimated to average 15 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for information Operations and reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188), Washington, D.C. 20503.

1a. PROGRAM		2. WEAPON SYSTEM TYPE	3. SUBMISSION TYPE ☐ INITIAL SUBMISSION ☐ CHANGE	4. DATE AS OF *(MM/DD/YY)*	5. REPORT DATE *(MM/DD/YY)*
1b. MILESTONE	A ☐ B ☐ C: LRIP ☐ C: PROD ☐				
6a. POINT OF CONTACT (POC) NAME AND ADDRESS *(Include ZIP Code)*		6b. POC TELEPHONE NO. *(Include Area Code)*	7. WBS ☐ PROGRAM	8. PREPARING ORGANIZATION	
		6c. POC FAX NO. *(Include Area Code)*			
		6d. POC E-MAIL ADDRESS	☐ CONTRACT	9. REVIEW AND REFERENCE NUMBER	

10. WBS ELEMENT CODE		11. WBS REPORTING ELEMENTS	12. CONTRACTOR (DUNS Code)	13. CONTRACT NUMBER	14. REPORT FREQUENCY			
10a. PROGRAM	10b. CONTRACT				14a. DD 1921 REQUIRED	14b. DD 1921-1 (Part I) REQUIRED	14c. DD 1921-1 (Part II) REQUIRED	14d. DD 2630 REQUIRED

DD FORM 2794, MAR 2003 PREVIOUS EDITION IS OBSOLETE

Figure C3.F3. DD Form 2794, "Cost and Software Data Reporting Plan," Page 2

15. CCDR SUBMISSION				
15a. SUBMISSION	15b. FORM	15c. EVENT	15d. AS OF DATE	15e. DUE DATE

16. REMARKS

DD FORM 2794, MAR 2003 PREVIOUS EDITION IS OBSOLETE

C3.1.4. The reporting elements consist largely of the WBS structure, which provides the framework for programs involving a given commodity. When combined with the standard CCDR cost categories (e.g., functional categories and cost elements), the WBS provides the needed consistency and comparability essential to developing normalized databases for cost-estimating purposes. Generally, the CSDR Plan shall be limited to the minimum number of WBS elements needed for estimating. Use the least number of line items needed to estimate costs. Reporting shall generally be at level 3 of the contract WBS but may be selectively extended with CAIG approval for WBS elements in high-risk, high-value, or high-technical-interest areas that warrant separate reporting. The CWIPT shall identify these elements. Refer to Chapter 2 of this Manual for more detailed guidance.

C3.2. PREPARATION INSTRUCTIONS

The following paragraphs describe how to complete the individual data elements of the CSDR Plan.

C3.2.1. Item 1a. Program. This data element is a free-form description to identify the name of the program. It may contain the formal or common name of the program and shall include the program's mission, design, series, or other military designation of the prime item to be purchased on the contract. If the contract is for services or level of effort (research, flight test, etc.), show the title of the service.

C3.2.2. Item 1b. Milestone. Check the appropriate block for the phase for which you are entering data: Milestones A, B, C: LRIP (for Low-Rate Initial Production), and C: PROD (for Full-Rate Production).

C3.2.3. Item 2. Weapon System Type. Use this data element to identify the weapon system type. A Major Defense Acquisition Program (MDAP) must be categorized into one of the following seven weapon system types defined in MIL-HDBK-881 (reference (d)): aircraft, electronic/automated software, missiles, ordnance, ships, space, and surface vehicles.

C3.2.4. Item 3. Submission Type. Check the appropriate box to indicate whether the CSDR Plan is an initial submission or a change (since the last approved Plan) to identify the submission type.

C3.2.5. Item 4. Date As Of. The "as of" date is the date when the Plan was last revised or updated. The date format is mm/dd/year (e.g., 06/15/2003 for June 15, 2003). Leave blank if this is an initial submission.

C3.2.6. Item 5. Report Date. Enter the date when the reporting organization submitted the plan (e.g., 12/31/02 for December 31, 2002).

C3.2.7. Items 6a through 6d. Point of Contact (POC) Information. Enter the relevant information about the POC as follows: Item 6a, name, street address, city, state, and ZIP

code; Item 6b, telephone number, including area code; Item 6c, fax number, including area code; and Item 6d, e-mail address.

C3.2.8. Item 7. WBS. Check the appropriate block for WBS type (Program WBS or Contract WBS) included in the Plan.

C3.2.9. Item 8. Preparing Organization. Enter the name of the organization preparing the Plan. A representative from the DoD program office normally prepares CSDR Plans with the advice and assistance of the CWIPT.

C3.2.10. Item 9. Review and Reference Number. Leave this data element blank for the initial submission. After review and approval, the DCARC assigns a reference number to the Plan. Use that reference number for change submissions.

C3.2.11. Item 10. WBS Element Code. There are three options for WBS element codes for both Program and Contract Plans: numeric decimal (e.g., 1.0 for parent, 1.1 for child of 1.0, and 1.1.1 for child of 1.1); thousand numeric (e.g., 1000 for parent, 1100 for child of 1000 and 1110 for child of 1100); and alpha (e.g., A for parent, AA for child of A, and AAA for child of AA). DCARC is developing automated tools to support these options.

C3.2.11.1. Item 10a. Program. Enter WBS element codes that conform to one of the options in subparagraph C3.2.10. For Program CSDR Plans, no corresponding contract WBS element codes are required under item 10b.

C3.2.11.2. Item 10b. Contract. Enter WBS element codes that conform to one of the options in paragraph C3.2.11 and are consistent with the program WBS. For Contract CSDR Plans, codes must be entered under item 10a for related program WBS elements.

C3.2.12. Item 11. WBS Reporting Elements. Enter the title of the specific WBS reporting element. See reference (d) for standard WBS guidance. In addition, identify subsystems by their official designations (e.g., T700 Engine, AN/APG-73 Radar, and Fire Control Radar) to allow for identification of subsystems that are common to other major systems.

C3.2.13. Item 12. Contractor (DUNS Code). Leave this item blank for initial submissions. Enter the standard contractor abbreviation or its Dun and Bradstreet's Universal Numbering System (DUNS) Code after the contractor is selected. For more information on the DUNS code, go to the Dun and Bradstreet Web site at http://www.dnb.com/US/duns_update/index.html.

C3.2.14. Item 13. Contract Number. Enter the number of the contractor's contract with the government to identify the current or existing contract under which the item is to be procured.

C3.2.15. Item 14. Report Frequency. For each WBS element listed, indicate the reporting requirements.

C3.2.15.1. Item 14a. DD 1921 Required. Enter an X in this column if the WBS element requires DD Form 1921, "Cost Data Summary Report."

C3.2.15.2. Item 14b. DD 1921-1 (Part I) Required. Enter an X in this column if the WBS element requires DD Form 1921, "Functional Cost-Hour and Progress Curve Report," Part I, Functional Cost-Hour Report.

C3.2.15.3. Item 14c. DD 1921-1 (Part II) Required. Enter an X in this column if the WBS element requires DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report," Part II, Progress Curve Report.

C3.2.15.4. Item 14d. DD 1921 Required. Enter an X in this column if the WBS element requires DD Form 2630, "Software Resources Data Report."

C3.2.16. Item 15. CCDR. Enter information related to the CCDR submission as described in the following paragraphs.

C3.2.16.1. Item 15d. Submission. Enter the sequential number of each report submission (beginning with 1).

C3.2.16.2. Item 15b. Form. Enter the CCDR form numbers related to the submission.

C3.2.16.3. Item 15c. Event. Enter the event or time period driving the CCDR submission (e.g., first flight test or annual reporting).

C3.2.16.4. Item 15d. As of Date. Enter the planned "as of" date for the CCDR submission (i.e., the date the submission data was last revised or updated).

C3.2.16.5. Item 15e. Due Date. Enter the CCDR submission due date.

C3.2.17. Item 16. Remarks. Enter any pertinent remarks about the CSDR Plan. The two data items described in the following paragraphs are mandatory. The information supplied is not intended in any way to preempt the prime contractor's selection process for subcontractors. Instead, its purpose is to establish an early tracking mechanism to ensure all appropriate reporting requirements are implemented. The information might have to be revised as RFPs are issued and contracts are awarded.

C3.2.17.1. Associate Contractor and Subcontractor Information. For Program CSDR Plans, provide the name and address of any prime contractors, subcontractors, and lower tier subcontractors that might meet the CCDR reporting thresholds along with the specific WBS elements for which they are responsible. If a specific subcontractor is not yet known, enter "TBD" (for "to be determined") and enter the WBS elements.

C3.2.17.2. Technical Characteristics. For Program CSDR Plans, identify the specific unclassified characteristics and related metrics (e.g., weight, range, and speed) for each prime, associate, or subcontractor that might meet the CCDR reporting thresholds. Classified characteristics are excluded from this requirement. If a specific contractor is not yet known, enter "TBD"(for "to be determined") and enter the WBS elements and expected technical characteristics. The Program Manager, in coordination with the CWIPT, is responsible for identifying the proposed characteristics. Airframe weight is a mandatory requirement for aircraft contracts.

C3.3. PLACING CCDR REQUIREMENTS ON CONTRACT

C3.3.2. The CSDR planning process culminates in contract award. The approved Program CSDR Plan is used as a starting point to prepare the proposed Contract CSDR Plan included in the RFP. The contractor's response to the RFP accepts or recommends changes to the Contract CSDR Plan. The final proposed Plan is negotiated (with CWIPT involvement) and submitted to the DCARC for CAIG Chair approval. Figure C3.F4 shows the recommended CCDR language that contains the essential instructions for implementing CCDRs.

C3.3.2. The final approved Contract Plan is included in the contract by incorporating a DD Form 1423-1, "Contract Data Requirements List" (CDRL) that identifies specific CCDR requirements for development and production contracts. A separate CDRL is prepared for each of the two CCDR reports. Copies of the CDRL form is available for download at http://web1.whs.osd.mil/icdhome/formsrpt/ddall.htm. Figures C3.F5 and C3.F6 are examples of partially completed first pages of the CDRLs for DD Forms 1921 and 1921-1, respectively.

C3.3.3. Contractors must submit copies of the WBS and WBS Dictionary 60 days after contract award. Figure C3.F7 is an example of a CDRL for the Contract Work Breakdown Structure (CWBS).

C3.3.4. The DoD Program Manager must submit copies of all signed CDRLs to the DCARC within 30 days of contract award. The CDRLs shall include the contract requirements for the WBS, WBS Dictionary, and DD Forms 1921 and 1921-1. These copies provide verification that the CCDR requirement was placed on contract.

Figure C3.F4. Proposed RFP Language

Contractor Cost Data Reporting (CCDR)
Proposed RFP Language

The contractor shall systematically collect and report actual contract costs to provide DOD cost analysts with needed data to estimate future costs. The contractor as part of the response to the RFP will:

a. Propose a draft contract cost and software data reporting (CDSR) plan, DD Form 2794, that includes the contract WBS using the approved program plan and the draft contract plan provided by the DOD program office as the baseline. The contract CSDR plan will include level 3 of the contract WBS and any lower level WBS elements designated by Dod as being high risk or high technical interest. The contractor may further extend the WBS for its own reporting purposes.

b. Negotiate a final draft contract cost data reporting plan that will be submitted by the DOD program office to the Cost Analysis Improvement Group (CAIG) Chair for approval. The final approved contract plan will be incorporated into the contract.

c. Provide contract cost estimates on the DD Forms 1921 and 1921-1 using the contract WBS proposed in subparagraph a above.

After contract award the contractor shall:

d. Provide the final contract WBS and dictionary IAW DI-MGMT-81334 within 60 days after contract award. Maintain and update the WBS and dictionary during contract execution. Submittals will be no more frequent that CCDR reports.

e. Prepare and provide CCDR reports IAW DI-FNCL-81565A and DI-FNCL-81566A and with the approved contract cost data plan.

f. Flow down CCDR requirements to any lower tier contractor that will have a contract valued at over $50 million (FY 2002 dollars) or any contracts valued at between $7 million and $50 million (2002 dollars) that are designated by the DOD program office as being high risk or high technical interest.

CCDR Evaluation

The contractor's proposed CDSR Plan will be evaluated based on data needs as shown in the approved program plan and the DOD proposed contract plan. The contractor is encouraged to propose changes to either plan to improve reporting accuracy, consistency, and relevancy. The DD Forms 1921 and 1921-1 cost estimates will be evaluated based upon its consistency with the contractor's proposed contract plan.

Figure C3.F5. Example of DD Form 1423-1, "Contract Data Requirements List," (Page 1) for DD Form 1921, "Cost Data Summary Report"

CONTRACT DATA REQUIREMENTS LIST
(1 Data Item)

Form Approved
OMB No. 0704-0188

The public reporting burden for this collection of information is estimated to average 110 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports (0701-0188), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number. Please DO NOT RETURN your form to the above address. Send completed form to the Government Issuing Contracting Officer for the Contract/PR No. listed in Block E.

A. CONTRACT LINE ITEM NO.	B. EXHIBIT	C. CATEGORY: TDP _____ TM _____ OTHER _____
D. SYSTEM/ITEM	E. CONTRACT/PR NO.	F. CONTRACTOR

1. DATA ITEM NO.	2. TITLE OF DATA ITEM	3. SUBTITLE
	Cost Data Summary Report (DD Form 1921)	Contractor Cost Data Reporting (CCDR)

17. PRICE GROUP

18. ESTIMATED TOTAL PRICE

4. AUTHORITY *(Data Acquisition Document No.)*	5. CONTRACT REFERENCE	6. REQUIRING OFFICE
DI-FNCL-81565A		

7. DD 250 REQ	9. DIST STATEMENT REQUIRED	10. FREQUENCY	12. DATE OF FIRST SUBMISSION
8. APP CODE		11. AS OF DATE	13. DATE OF SUBSEQUENT SUBMISSION

14. DISTRIBUTION	b. COPIES		
a. ADDRESSEE	Draft	Final Reg	Final Repro
DCARC			
See Item 16			
15. TOTAL →	0	0	0

16. REMARKS

Prepare Blocks 10, 12, and 13 in accordance with the CAIG Chair-approved Contract Cost and Software Data Reporting (CSDR) Plan provisions and the CCDR Manual (DoD 5000.4 M-1). The CSDR Plan is included as contract attachment 1. The CCDR Manual is available from the DCARC Web site at http://dcarc.pae.osd.mil. The responsible DoD office for receiving and storing all CCDR-related formats is:

Defense Cost and Resource Center (DCARC)
1111 Jefferson Davis Highway
PO Box 005
Arlington, VA 22202
(703) 602-3169

Prepare CCDR data in electronic format in accordance with the detailed instructions contained in Data Item Description DI-FNCL-81565A. Prime contractors are responsible for flowing down CCDR requirements contained in their prime contracts to all subcontractors who meet the reporting thresholds. This includes requiring subcontractors to electronically report directly to the DCARC.

G. PREPARED BY	H. DATE	I. APPROVED BY	J. DATE

DD FORM 1423-1, FEB 2001 PREVIOUS EDITION MAY BE USED. Page ____ of ____ Pages

Reset

Figure C3.F6. Example of DD Form 1423-1, "Contract Data Requirements List," (Page 1) for DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report"

CONTRACT DATA REQUIREMENTS LIST
(1 Data Item)

Form Approved
OMB No. 0704-0188

The public reporting burden for this collection of information is estimated to average 110 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports (0701-0188), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number. Please DO NOT RETURN your form to the above address. Send completed form to the Government Issuing Contracting Officer for the Contract/PR No. listed in Block E.

A. CONTRACT LINE ITEM NO.	B. EXHIBIT	C. CATEGORY: TDP _____ TM _____ OTHER _____
D. SYSTEM/ITEM	E. CONTRACT/PR NO.	F. CONTRACTOR

1. DATA ITEM NO.	2. TITLE OF DATA ITEM	3. SUBTITLE
	Functional Cost-Hour and Progress Curve Report (DD Form 1921-1)	Contractor Cost Data Reporting (CCDR)

17. PRICE GROUP

18. ESTIMATED TOTAL PRICE

4. AUTHORITY *(Data Acquisition Document No.)*	5. CONTRACT REFERENCE	6. REQUIRING OFFICE
DI-FNCL-81566A		

7. DD 250 REQ	9. DIST STATEMENT REQUIRED	10. FREQUENCY	12. DATE OF FIRST SUBMISSION
8. APP CODE		11. AS OF DATE	13. DATE OF SUBSEQUENT SUBMISSION

14. DISTRIBUTION	b. COPIES		
a. ADDRESSEE	Draft	Final Reg	Final Repro
DCARC			
See Item 16			
15. TOTAL →	0	0	0

16. REMARKS

Prepare Blocks 10, 12, and 13 in accordance with the CAIG Chair-approved Contract Cost and Software Data Reporting (CSDR) Plan provisions, the WBS Data Dictionary, and the CCDR Manual (DoD 5000.4 M-1). The contract CSDR Plan is included as contract attachment 1. The CCDR Manual is available from the DCARC Web site at http://dcarc.pae.osd.mil. The responsible DoD office for receiving and storing all CCDR-related formats is:

Defense Cost and Resource center (DCARC)
1111 Jefferson Davis Highway
PO Box 005
Arlington, VA 22202
(703) 602-3169

Prepare CCDR data in electronic format in accordance with the detailed instructions contained in Data Item Description DI-FNCL-81566A. Prime contractors are responsible for flowing down CCDR requirements contained in their prime contracts to all subcontractors who meet the reporting thresholds. This includes requiring subcontractors to electronically report directly to the DCARC.

G. PREPARED BY	H. DATE	I. APPROVED BY	J. DATE

DD FORM 1423-1, FEB 2001 PREVIOUS EDITION MAY BE USED. Page ____ of ____ Pages

Reset

Figure C3.F7. Example of DD Form 1423-1, "Contract Data Requirements List," (Page 1) for the Contract Work Breakdown Structure

CONTRACT DATA REQUIREMENTS LIST
(1 Data Item)

Form Approved
OMB No. 0704-0188

The public reporting burden for this collection of information is estimated to average 110 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports (0701-0188), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number. Please DO NOT RETURN your form to the above address. Send completed form to the Government Issuing Contracting Officer for the Contract/PR No. listed in Block E.

A. CONTRACT LINE ITEM NO.	B. EXHIBIT	C. CATEGORY: TDP ____ TM ____ OTHER ____
D. SYSTEM/ITEM	**E. CONTRACT/PR NO.**	**F. CONTRACTOR**

1. DATA ITEM NO.	2. TITLE OF DATA ITEM	3. SUBTITLE	17. PRICE GROUP
	Contract Work Breakdown Structure (CWBS)	Contractor Cost Data Reporting (CCDR)	

4. AUTHORITY *(Data Acquisition Document No.)*	5. CONTRACT REFERENCE	6. REQUIRING OFFICE	18. ESTIMATED TOTAL PRICE
DI-MGMT-81334A			

7. DD 250 REQ	9. DIST STATEMENT REQUIRED	10. FREQUENCY	12. DATE OF FIRST SUBMISSION
8. APP CODE		**11. AS OF DATE**	**13. DATE OF SUBSEQUENT SUBMISSION**

16. REMARKS

Prepare Blocks 10, 12, and 13 in accordance with the CCDR Manual (DoD 5000.4-M-1) and the guidance in Military Handbook 881, "Work Breakdown Structures for Defense Materiel Items." The CCDR Manual is available from the DCARC Web site at http://dcarc.pae.osd.mil. The responsible DoD office for receiving and storing CCDR-related formats is:

Defense Cost and Resource Center (DCARC)
1111 Jefferson Davis Highway
PO Box 005
Arlington, VA 22202
(703) 602-3169

Prepare the CWBS in electronic format in accordance with the detailed instructions contained in Data Item Description DI-MGMT-81334A. Prime contractors are responsible for flowing down CCDR requirements contained in their prime contracts to all subcontractors who meet the reporting thresholds. This includes requiring subcontractors to electronically report directly to the DCARC.

14. DISTRIBUTION

a. ADDRESSEE	b. COPIES Draft	Final Reg	Final Repro
DCARC			
See Item 16			
15. TOTAL →	0	0	0

G. PREPARED BY	H. DATE	I. APPROVED BY	J. DATE

DD FORM 1423-1, FEB 2001 PREVIOUS EDITION MAY BE USED. Page ____ of ____ Pages

Reset

C4. CHAPTER 4
CONTRACTOR GUIDANCE

This chapter contains general guidance and specific references to assist contractors in fulfilling the reporting requirements for the following two Contractor Cost Data Reports (CCDRs): DD Form 1921, "Cost Data Summary Report," and DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report." The DCARC is also developing the CCDR Pre-processor, an automated tool for preparing the above reports electronically. The tool and related instructions are available from the DCARC Web site at http://dcarc.pae.osd.mil.

C4.1. APPLICATIONS

C4.1.1. Reporting Elements

Contractor cost data shall be collected on all reporting elements specified in the RFP or in the contract that references the reporting requirements in the Contract Cost and Software Data Reporting (CSDR) Plan approved by the Coast Analysis Improvement Group (CAIG) Chair. Reporting elements are any contract items on which data are to be collected. They primarily consist of Work Breakdown Structure (WBS) elements but also include such other subdivisions as General and Administrative (G&A) expense and profit or fee. The requirements for these reports shall be specified in the Request for Proposals (RFP). More than one contractor (prime, associate, or subcontractor) may report on a reporting element. The decision about whether or not a contractor reports on a particular reporting element shall be based on the relative importance of the element to cost-estimating requirements.

C4.1.2. Report Submission

Contractors shall submit the two CCDRs showing actual and estimated contract costs at frequencies specified in the contract. Reports shall be prepared in accordance with the guidelines and definitions that follow

C4.1.2.1. Prime contractors and subcontractors are subject to the same criteria in determining reporting requirements. A subcontractor whose contract meets the dollar thresholds and other criteria specified in Chapter 2 shall have CCDR requirements included in its contract with the prime contractor. The prime or associate contractor is responsible for incorporating the subcontractor's reporting requirements into the affected contracts.

C4.1.2.2. Subcontractors shall report directly to the DCARC to facilitate processing. A copy of the report may also be provided to the prime contractor if the subcontractor agrees.

C4.1.2.3. Subcontractors subject to CCDR requirements shall follow the instructions in this chapter in the same manner as prime contractors.

C4.2. GENERAL GUIDELINES

The general guidelines in the following paragraphs apply to the preparation of the CCDR forms.

C4.2.1. The Procuring Contracting Officer (PCO) shall request permission in writing to deviate from reporting and frequency requirements specified in RFPs and contracts. The PCO shall coordinate with the DoD Program Manager (PM) to ensure that such deviations are acceptable. The PM, in turn, shall coordinate with the CWIPT or, if the CWIPT is no longer in existence, designated analysts and obtain appropriate approval from the DCARC. Approved deviations must be noted in the "Remarks" section of each form or a supplementary sheet.

C4.2.2. Contractors shall report all actual and estimated costs, regardless of contract ceiling or contract type (e.g., firm fixed price). This requirement may result in reported costs being higher than costs actually paid for by the government. Report all cost data in thousands of dollars rounded to the nearest tenth, unless otherwise specified in the RFP or contract. For example, $245,671,423 would be reported as $245,671.4.

C4.2.3. All contractor data sources must be included. In situations where the data cannot be provided in the requested format without a major effort or a major change to the accounting system (e.g., if a contractor's accounting system does not aggregate to a specified cost category), the contractor shall provide a best estimate. The contractor shall provide the basis for the estimate in the "Remarks" section of the appropriate report.

C4.2.4. When the same contract contains different models or versions of an end item as separate contract line items, separate reports may be required on each model or version. The requirement for separate reporting shall be delineated in the CSDR Plan, the RFP, and the contract. A separate reporting requirement can be expected when there are significant cost or technical characteristic differences between the models or versions.

C4.2.5. Each form contains a section for remarks. Use this section, and additional sheets as required, whenever space provided for a data item is insufficient or the contractor must deviate from the format or definitions. The instructions for a specific form may suggest the use of the "Remarks" section in certain instances.

C4.2.6. In the "Remarks" section of each required form, contractors reporting to the Department of Defense shall note the names, purchase orders, and subcontract numbers of subcontractors designated to submit reports directly to the Department of Defense.

C4.2.7. Reporting contractors must ensure that the proper security classification, within the meaning of the Espionage Act, is assigned to each report. The latest executive copy of DD Form 254, "Security Requirements Check List," shall indicate the proper security classification. Do not use terms such as "Secret" or "Confidential" to describe data that is proprietary in nature.

C4.2.8. The DoD Components shall protect company information of a proprietary nature. All requests for CCDR information from any non-DoD governmental agency or organization shall be processed through the DCARC.

C4.2.9. If no costs were incurred during a reporting period, the contractor shall insert a zero (0) in the appropriate place on the form.

C4.2.10. Contractors must submit the standard report formats in accordance with section C4.3 and Appendix 1. DoD PMs may request data other than is provided for on the standard formats, requiring tailoring of the formats. However, these tailored formats should be considered an additional requirement from the DoD PM; they do not replace the standard formats that must be submitted to DCARC.

C4.2.11. The Data Item Descriptions (DIDs) for the two CCDRs define recurring and nonrecurring costs. If contractors must deviate from these definitions when reporting, the DCARC encourages them to coordinate with the DoD PM and CWIPT to reach an agreement on how costs are to be split between recurring and nonrecurring costs. This agreement should be reached at the same time the CWBS and dictionary are being prepared and approved.

C4.3. CONTRACTOR COST DATA REPORTS (CCDRs)

C4.3.1. Appendix 1 contains DD Form 1921, "Cost Data Summary Report," and its related Data Item Description (DID), DI-FNCL-81565A, and DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report," and its related DID, DI-FNCL-81566A. The DCARC shall use the DIDs as one of the bases for report validation. Copies of DD Form 1921 and DD Form 1921-1 are available at the following Web site: http://web1.whs.osd.mil/icdhome/formsrpt/ddall.htm. Copies of the Microsoft Excel templates for each report and the CCDR Pre-processor tool are available at http://dcarc.pae.osd.mil. The reporting contractor is any prime contractor, associate contractor, or subcontractor who is contractually required to submit CCDRs.

C4.3.2. On December 31, 1999, DD Form 1921-3, "Plant-Wide Data Report," was deleted from the CCDR process and replaced with data from the forward pricing rate (FPR) process the Defense Contract Management Agency (DCMA) resident offices or the responsible contractor provides.

C5. CHAPTER 5
DEFENSE AUTOMATED COST INFORMATION MANAGEMENT SYSTEM

This chapter provides information about the Defense Automated Cost Information Management System (DACIMS): what it is, how it works, and how it benefits the DoD cost community. It briefly describes the DACIMS system, the various stakeholders (users) that interface with it, and how they use the DACIMS to prepare, submit, view, and download CCDRs.

C5.1. GENERAL DESCRIPTION

C5.1.1. Introduction

DACIMS is a highly secured Web-based information system that hosts the CCDR Database, the Cost Analysis Improvement Group (CAIG) Library, the Cost Growth Database, and the Cost Research Bibliography Library. Users must obtain an X.509 certificate and a login ID in order to access the DACIMS. To request a certificate, follow the registration instructions on the DCARC Web site (http://dcarc.pae.osd.mil) and in paragraph C5.3.2 of this Manual.

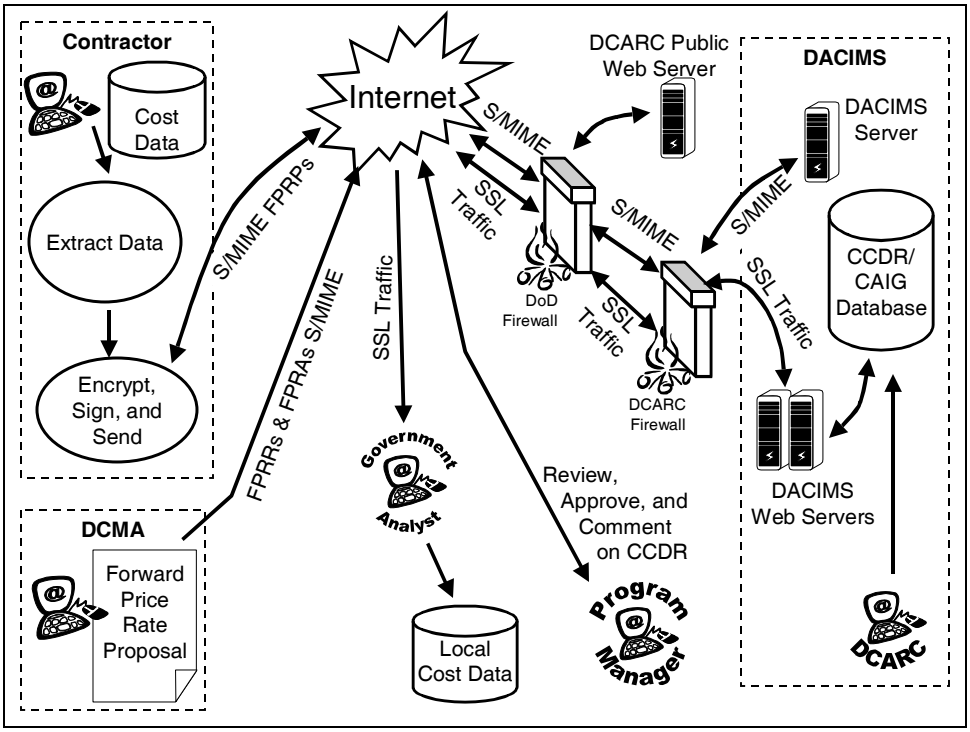
C5.1.2. Content

The DACIMS holds over 30,000 Contractor Cost Data Reports (CCDRs). The majority of these are scanned images of historical CCDRs; others are in Microsoft Excel format. The number of CCDRs in Excel format is expected to increase since all new CCDRs must be submitted electronically. The DACIMS also holds a number of CAIG and Naval Center for Cost Analysis (NCCA) documents and contains Selected Acquisition Report (SAR) cost growth data. The DCARC is aggressively pursuing other sources of weapons system data and information and expects the amount and type of data held in the DACIMS to grow.

C5.1.3. Flow of Data

Figure C5.F8 illustrates the overall flow of data into and out of the DACIMS. The figure shows that weapon system Materiel Developers (MDs) and Defense Contract Management Agency (DCMA) personnel submit CCDRs and Forward Pricing Rate (FRP) data to the DACIMS as secure e-mail attachments through the Internet. The DACIMS permits authorized government users to view, search, and download files only in a secure manner. Authorized users connect with the DACIMS via a Secured Socket Layer (SSL) connection using an X.509 digital certificate, which is issued as described in paragraph C5.3.2 of this Manual.

Figure C5.F8. DACIMS Architecture



C5.2. DACIMS STAKEHOLDERS

Four types of stakeholders interact with the DACIMS. They are Materiel Developers, Defense Contracting Management Agency (DCMA) personnel, Program Managers, and Cost Analysts. Each type of stakeholder is described in the paragraphs that follow.

C5.2.1. Material Developers (MDs) are the contractors, both prime contractors and subcontractors, who have contracts to develop and/or produce ACAT I weapon systems. They are required to submit CCDRs, and they must submit them to the DACIMS in electronic format. MDs cannot view data in the DACIMS.

C5.2.2. DCMA personnel from various DCMA field offices negotiate Forward Pricing Rates (FPRs) for the MD for which they are responsible. DCMA users, therefore, are responsible for submitting information about FPR proposals, recommendations, and agreements to the DCARC. This information is intended to replace the discontinued report DD Form 1921-3, "Plant-Wide Data Report."

C5.2.3. Program Managers (PMs) are government civilian and military personnel who are responsible for monitoring contractors' execution of approved programs. PM staff members have three roles in the CCDR process: CCDR planner, CCDR acceptor, and cost estimator. These roles, their associated automation needs, and their relationships to the DACIMS are described here. The PM, in coordination with the CWIPT, develops a CSDR Plan with the CSDR planning tool and submits it electronically to the DCARC for

CAIG Chair approval. This information sets the reporting schedule and specifies the content of the CCDRs that MDs submit. In the role of acceptor, the PM must have the ability to receive e-mail notices and connect with the Internet to gain access to the DACIMS. The PM's representative generates comments online to the DCARC and approves or rejects the CCDRs the MDs submit via a secure Web connection. In the role of cost analyst, the PM's representative has the same data access privileges as an authorized Cost Analyst.

C5.2.4. Cost Analysts (CAs) are government civilian or military personnel who use cost data, including CCDRs, primarily to perform cost analysis on programs. CAs need accurate historical cost data to develop estimates of current and future programs. They may be members of the CAIG, one of the Service cost centers, a commodity command, or a Program Manager's organization. CAs may access the DACIMS through an Internet connection to do the following: search for specific types of weapons systems data; view CCDRs; and download data and CCDRs as Microsoft Excel files, Tagged Image Files (TIFs), or other electronic formats (depending on the formats in which the information was stored).

C5.3. REGISTERING FOR ACCESS TO DACIMS DATA

C5.3.1. Introduction

C5.3.1.1. CCDR reports are proprietary data that are subject to strict controls and restricted access. The current data access policy was established by the DCARC, coordinated with the OSD Office of General Counsel and the CCDR Focus Group, and approved by the CAIG Chair. The policy is based on guidance contained in the Federal Acquisition Regulation (FAR) and on the operating environment of the DCARC. The objective is to provide ready and secure access to authorized users while safeguarding the proprietary interests of reporting contractors. Authorization to access the CCDR data is based on a valid need to use the data, as determined by the DCARC. The following personnel/entities may obtain access to CCDR data, given the restrictions explained in the following subparagraph: DoD employees and military personnel, other federal employees, nonreporting support contractors, and Federally Funded Research and Development Centers (FFRDCs).

C5.3.1.2. The DCARC considers requests for access from federal employees other than the Department of Defense and military personnel on a case-by-case basis. Any questionable requests are referred to the CAIG Chair for resolution. Support contractors with access to the CCDR data must have a signed Non-Disclosure Agreement (NDA) with each reporting contractor whose data they are requesting. Support contractors and FFRDCs must have contracts with the Department of Defense that show they require access to CCDR data (see FAR 35.017).

C5.3.2. Instructions for Obtaining a Digital Certificate

Authorized users may gain access to specific CCDR data through the electronic DACIMS after registering with the DCARC and obtaining a digital certificate. This certificate is used to establish a secure Web session with DACIMS. After stakeholders register with the DCARC, they may have access to the data held in the DACIMS or they may be able only to send data to the DCARC. Authorized users register with the DCARC through the DCARC Web site (http://dcarc.pae.osd.mil) using Netscape Navigator version 4.75 or higher with domestic grade (128-bit) encryption or Microsoft Internet Explorer version 5.5 or higher. The DCARC Web site provides detailed registration instructions. The registration process is the same for most stakeholders. Differences in the registration process for stakeholders authorized to access data and for those authorized only to submit data are explained in the subparagraphs below. The registration process detailed here shall be in effect until DACIMS fully implements the DoD Public Key Infrastructure (PKI) Policy. The DCARC is developing a migration plan to comply with DoD PKI policy. Upon implementation, user authentication to DACIMS shall be accomplished only with a certificate issued in accordance with DoD PKI policy.

C5.3.2.1. Stakeholders Authorized To Access Data. CAs or a PMs fall into the category of stakeholders that may have access to DACIMS data. To register as an authorized stakeholder, CAs/PMs must provide information about themselves and their organizations and submit a user identification name. After the registration data is submitted, a DCARC analyst will verify employment in good standing with the organization identified. After the registration information has been verified, the DCARC will generate an X.509 certificate and send an e-mail message with instructions on how to load the certificate and access the DACIMS.

C5.3.2.2. Stakeholders Authorized Only To Submit Data. DCMA personnel and MDs fall into the category of stakeholders that may only submit data. The responsible DCMA office must submit the FPR data to the DACIMS. After the contract is awarded, the MD must begin submitting the CCDRs to the DCARC in accordance with the contract. To do so, each reporting MD must designate personnel to submit the reports and those individuals must register with the DCARC. MDs and DCMA personnel should register in the same manner as stakeholders with access to the data. The DCARC staff will verify the validity of the request and provide a certificate to allow data to be transferred in the form of attachments to encrypted and digitally signed e-mail messages. Since e-mail systems vary, the DCARC staff will assist the submitter and his or her information technology support staff with installing and testing the certificate. MDs are responsible for notifying the DCARC of any changes to the submitter's point of contact (POC) data.

C5.3.3. Processing Non-Disclosure Agreements

Many government organizations use support contractors to assist them in performing cost research and analysis. Accordingly, access to CCDR data may be required. Support contractors must obtain NDAs before gaining access to CCDR data.

When the sponsoring DoD organization and the support contractor identify the specific CCDR data, the support contractor shall obtain the MD's standard NDA (directly from the MD) and complete each MD's NDA (or propose modifications), including a description of the data requested. The support contractor signs the NDA and forwards it to the MD POC, along with the cover page and related excerpt from the contract that shows the need for the data. The sponsoring DoD organization and the associated support contractor are responsible for obtaining the NDA, signed by both parties, from the MD and providing it to the DCARC before access is granted.

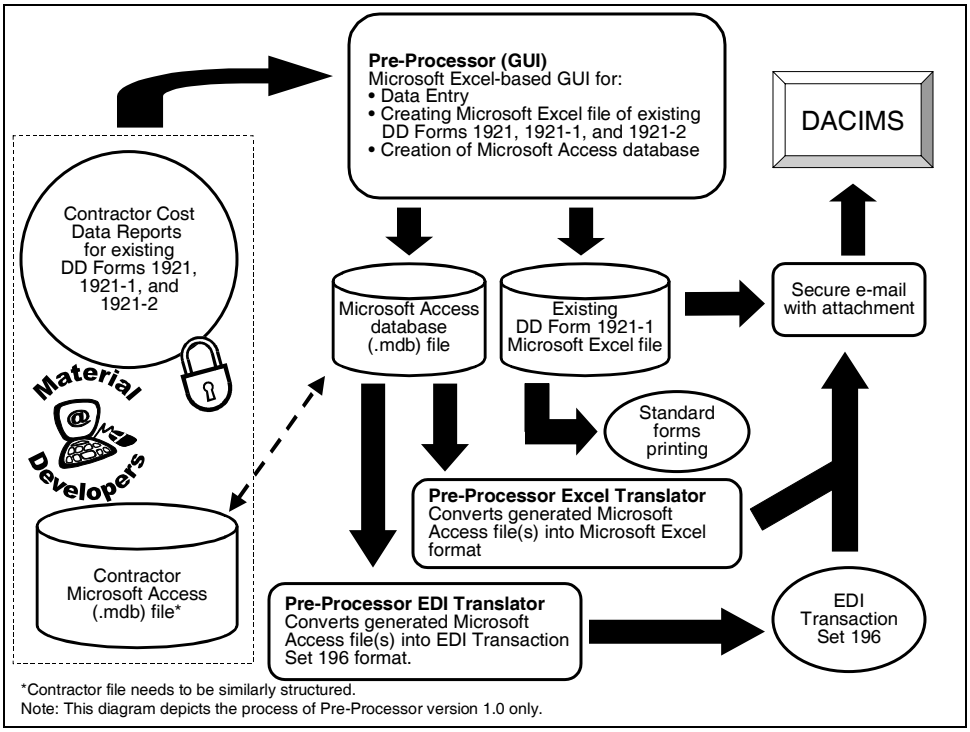
C5.4. PREPARING CCDRS

C5.4.1. MDs must collect costs and submit the required CCDRs according to their contracts. MDs must extract information from their respective information systems and electronically format the data as specified in the CSDR Plan. MDs must prepare electronic CCDR reports in either Microsoft Excel (the format recommended by the DCARC) or Electronic Data Interchange (EDI) X12 Transaction Set 196 format (for use by contractors who have submitted EDI X12 Transaction Set 196 CCDR reports in previous reports for contracts awarded before October 1, 2003). CCDRs for all new contracts must be submitted in Excel format. The DCARC has also provided a Microsoft Windows-based tool to permit MDs to create electronic CCDR files via an Excel template or by loading the data into a Microsoft Access database and then translating it into electronic CCDR reports in either Microsoft Excel format or EDI X12 Transaction Set 196 format. The DACIMS Pre-processor tool is available from the DCARC Web site (http://dcarc.pae.osd.mil). Figure C5.F9 summarizes the capabilities of this tool and the associated data flow. The tool has two major components: an Excel component and an EDI X12 Transaction Set 196 Translator.

C5.4.2. Computer technology has advanced considerably since this software package was originally designed and programmed. In addition, some forms have been modified and a new DD Form 1921-1 form has been added to the cost data collection. In order to accommodate both advances in technology and the new forms, DCARC is upgrading version 1.0 of the Pre-processor. Several new architectures are being evaluated as a way of accommodating advances in computer technology, especially in Internet services. Web-based software for generating and submitting CCDRs and an Internet-based e-commerce environment for Extensible Markup Language (XML) standards are among the new architectures to be considered. The explosive growth of Web-based data exchanges allows extension of CCDR report submission beyond the current data-collection processes through XML-based integration.

C5.4.3. MDs may enter CCDR data through an Excel interface and view, print, and save CCDR reports. The reports may be saved as an Excel spreadsheet or an Access database. To create the EDI X12 reports, MDs must save the Excel file as an Access database and execute the Pre-processor Translator. MDs processing older contracts must generate an Access database and then run the Pre-processor Translator to generate the EDI X12 files. MD data files must match the fixed Access database structure for the Pre-processor Translator to create EDI X12 files.

Figure C5.F9. Capabilities and Flow of the DACIMS Pre-processor



C5.5. SUBMITTING CCDRS

Once the electronic CCDRs are prepared, MDs must digitally sign and send them to the DACIMS through the Internet as encrypted e-mail attachments. (See paragraph C5.3.2 previously in this chapter for details.) Upon receipt, the DACIMS decrypts the file and verifies the authenticity of the sender by checking the digital signature. The DCARC notifies the MD via e-mail that the CCDR reports have been received. If the reports are in X12 format, the DACIMS generates, encrypts, and digitally signs a functional acknowledgment receipt (TS 997) and sends it back to the MD.

C5.6. ACCEPTING CCDRS

C5.6.1. Once the submitted CCDR reports are received and accepted by the DCARC cost analysts, the DACIMS notifies the appropriate PM's representative and the cognizant CAIG analyst via e-mail that a CCDR has been received and must be checked by logging onto the DACIMS. The PM and CAIG analysts have 15 days in which to review, comment on, and approve or reject the reports. At the same time, the DCARC checks the file for business rule compliance.

C5.6.2. PMs are able to log into the DACIMS as soon as they receive and load the certificate into their browsers. If any new CCDRs exist, the system displays a message indicating that CCDRs are waiting to be reviewed. The CCDRs may be reviewed online or downloaded in Excel format and printed. PMs may make comments about, accept, or reject each CCDR online. For CCDRs that are rejected, the DCARC forwards a problem

report to the MD for re-submission by e-mail or in the form of an EDI X12 Transaction Set 864.

C5.6.3. Once the PM and CAIG analyst accept the reports (or 15 days pass), the CCDRs are loaded into the DACIMS database for authorized users to view and download through Internet access.

C5.7. VIEWING AND DOWNLOADING CCDRS

DACIMS collects and provides CCDR, CAIG, Cost Growth, and Cost Research Bibliography Libraries to the DoD cost analysis and estimating community. Government analysts use the data to estimate costs of ongoing and future government programs. The data are also used for pricing, negating contracts, and tracking actual versus negotiated costs. The cost data come from completed contracts or completed portions of ongoing contracts. To gain access to the various DACIMS databases, user security permissions must be established. Security permissions are used to limit user access to only those links required by the mission.

AP1. APPENDIX 1
DD FORMS AND DATA ITEM DESCRIPTIONS

AP1.1. This appendix contains reproductions of the following DD Forms and Data Item Descriptions (DIDs):

AP1.1.1. DD Form 1921, "Cost Data Summary Report", and its DID, DI-FNCL-81565A (figure AP1.F10)

AP1.1.2. DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report" and its DID, DI-FNCL-81566A (figure AP1.F11)

AP1.1.3. Contract Work Breakdown Structure (CWBS) DID, DI-MGT-81334, including an example of a CWBS index and dictionary.

A1.2. These reporting formats and DIDs were current when the Manual was issued; however, any of them can be changed and approved for release without changing the Manual. The most current versions of the forms and DIDs are available at the following Web sites: http://dcarc.pae.osd.mil, http://web1.whs.osd.mil/icdhome/DD1500-.htm, and http://assist2.daps.dla.mil/quicksearch/.

Figure AP1.F10. DD Form 1921, "Cost Data Summary Report"

SECURITY CLASSIFICATION

Form Approved OMB No. 0704-0188

COST DATA SUMMARY REPORT			3. TYPE ACTION ☐ CONTRACT NO: ☐ LATEST AMENDMENT: ☐ RFP NO: ☐ PROGRAM ESTIMATE		4. APPROPRIATION ☐ RDT&E ☐ PROCUREMENT	5. REPORT AS OF *(MM/DD/YY)*
1a. PROGRAM:		2. DOLLARS IN			6. MULTI-YEAR CONTRACT ☐ YES ☐ NO	7. FY FUNDED:
1b. APPROVED PLAN NUMBER:						
8. CONTRACT TYPE	9. CONTRACT PRICE ESTIMATE	10. CONTRACT CEILING	11. CONTRACTOR TYPE ☐ PRIME/ASSOCIATE ☐ SUBCONTRACTOR	11b. NAME/ADDRESS *(Include ZIP Code)*	12. NAME OF CUSTOMER: *(Subcontractor Use Only)*	

			TO DATE				AT COMPLETION			
				COSTS INCURRED				COSTS INCURRED		
CONTRACT LINE ITEM A	REPORTING ELEMENTS B	WBS ELEMENT CODE C	NUMBER OF UNITS D	NONRECURRING E	RECURRING F	TOTAL G	NUMBER OF UNITS H	NONRECURRING I	RECURRING J	TOTAL K

13. REMARKS:

POINT OF CONTACT (POC) INFORMATION

14a. NAME *(Last, First, Middle Initial)*	14b. DEPARTMENT		14c. TELEPHONE NO. *(Include Area Code)*
14d. E-MAIL ADDRESS	14e. FAX NO. *(Include Area Code)*	14f. SIGNATURE	14g. DATE SIGNED *(MM/DD/YY)*

DD FORM 1921, MAR 2003

Public reporting burden for this collection of information is estimated to average 33 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for information Operations and reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188), Washington, D.C. 20503.

SECURITY CLASSIFICATION

DATA ITEM DESCRIPTION

Title: DD Form 1921, "Cost Data Summary Report"

Number: DI-FNCL-81565A **Approval Date:** Draft

AMSC Number: D7333 **Limitation:**

DTIC Applicable: **GIDEP Applicable:**

Preparing Activity: (D) OSD/PA&E/CAIG

Applicable Forms: DD Form 1921 (OMB Control No. 0704-0188); 33 hours

Use/Relationship: DD Form 1921 is used to obtain essential cost data from contractors for the purpose of establishing a cost database. Prime contractors and integrating contractors for teaming arrangements with Contractor Cost Data Reporting (CCDR) requirements in their prime contracts are responsible for informing subcontractors and team contractors who meet the reporting thresholds about these requirements. All contractors must submit reports electronically to the Defense Cost and Resource Center (DCARC), who maintains a database of CCDR data. The CCDR database will be used to do the following: (1) prepare program cost estimates for major systems reviewed by the Defense Acquisition Board (DAB) and other Component review programs, (2) develop independent government contract estimates in support of cost and price analyses, and (3) develop estimates to support Analyses of Alternatives (AOAs), Cost as an Independent Variable (CAIV), and long-range planning efforts.

Information acquired through DD Form 1921 includes actual and estimated incurred costs at completion with the number of units being procured by Work Breakdown Structure (WBS). Reporting typically includes level 3 of the contract and subcontract WBS. Costs include both direct and overhead for each WBS element and are subdivided into recurring and nonrecurring costs. General and Administrative (G&A), undistributed budget, management reserve, facilities cost of money, and profit or fee are shown separately at the bottom of the report and are not included in the individual WBS element costs.

DD Form 1921 reporting is mandatory on Acquisition Category (ACAT) IC and ID program contracts or subcontracts valued over $50 million (in FY 2002 dollars). Contracts priced between $7 million and $50 million (in FY 2002 dollars) are subject to CCDR reporting requirements when the Cost Working-Level Integrated Product Team (CWIPT) determines, and the Cost Analysis Improvement Group (CAIG) agrees, that they are high-risk or high-technical-interest items. Contracts priced below $7 million (in FY 2002 dollars) are not subject to CCDR reporting. This exemption applies to all ACAT I, II, and III programs with CCDR requirements. Reporting frequency is tied to program estimating needs as determined by the program manager and the CWIPT for ACAT I programs and the program manager and the responsible Component reviewing authority for ACAT II and III programs.

This DID summarizes the format for DD Form 1921 and provides preparation instructions to support the specific data and frequency requirements specified in the

contract. DD Form 1921 is one of two CCDR formats and is related to the other report, DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report" (DID number DI-FNCL-81566A). Both reports are available for inclusion on any given contract that meets the criteria specified above and any other conditions specified for a particular report.

This DID replaces DID number DI-FNCL-81565.

Requirements:

1. *Reference documents*. Mandatory CCDR requirements are contained in DoD Instruction 5000.2.
2. *Format.* Use DD Form 1921 and the detailed preparation instructions below. All CCDR reports for new or modified ACAT I contracts, awarded after October 1, 2003, must be submitted electronically using the standard Microsoft Excel template, XML, or the CCDR Pre-processor tool. Forms must be submitted as secure e-mail attachments, using a certificate issued by the DCARC for encryption and digital signature.

Preparation Instructions:

1. *General Instructions.* For ACAT I contracts, DD Form 1921 shall be submitted for a contract estimate and, if required, a program estimate in response to a Request for Proposals (RFP) and after that as specified in the contract. The program manager and the CWIPT review process determine these requirements during the CCDR planning phase. A contractor's program estimate consists of all costs related to the total program as specified by the DoD Component for that particular contractor. Although the program estimate will typically involve the costs for several different contracts, a contract estimate is only for one specified contract.

   For contractor's program estimates, submit separate DD Form 1921 reports for each fiscal year and for each appropriation when a program involves funding from Research, Development, Test, and Evaluation (RDT&E) and Procurement. Show all dollars related to the buy of a given fiscal year in the report for that year, regardless of the year of expenditure. Make separate line entries on DD Form 1921 for items "on contract" and items "not on contract." "On contract" includes all dollars for items for which there is a signed contract between the contractor and the government plus any approved changes or modifications on which contractual agreement has been reached. "On contract" also includes the estimated dollars for items that the contractor has authorization to perform work on but the specific dollars have not been negotiated. "Not on contract" includes all additional dollars the contractor anticipates are required (e.g., expected change orders). It also includes changes to the program the Department of Defense has specified to the contractor for possible future consideration but for which no contractual action has been initiated.
2. *Specific Instructions.* The following instructions apply to DD Form 1921.
   a. Item 1a. Program. Enter the approved system designator or the type, model, and series of the prime end item(s) being purchased under contract or being proposed for contract. If the contract or proposal includes services (research, flight tests, etc.), provide details of the work to be performed. For associate contractors and

subcontractors required to report separately, enter the end item being purchased on the contract and the program for which it is being procured (e.g., aft body section of the F-X, wind tunnel tests for the B-X, launch equipment for missile X).

b. Item 1b. Approved Plan Number. Enter the number of the Contract Plan approved by the CAIG Chair that authorized the collection of data for this report.

c. Item 2. Dollars In. Report all cost data in thousands of dollars rounded to the nearest tenth, unless otherwise specified in the RFP or contract.

d. Item 3. Type Action. Check the box that most accurately describes the data being reported. If reporting on a contract estimate, enter the assigned contract number as well as the number of the latest contract amendment. If the data are in response to an RFP, enter the RFP number.

e. Item 4. Appropriation. Check the appropriate box to indicate the type of appropriation, RDT&E or Procurement, used to fund the contract. If funding other than RDT&E and Procurement is used, do not check a box but note the specific type of funds in the "Remarks" section (Item 13). For contractor program estimates, leave Item 4 blank, unless otherwise specified by the DoD Component.

f. Item 5. Report As Of. Enter the appropriate numbers for the month, last day, and year of the reporting period, e.g., December 31, 2002 would be shown as 12/31/02.

g. Item 6. Multi-Year Contract. If the contract is funded from a single fiscal year, check "No" and enter the specific fiscal year funding the contract in the "Remarks" section (Item 13). However, if the report pertains to an incrementally funded Research and Development (R&D) contract, check "Yes" and enter all the fiscal years covered by the contract in the "Remarks" section. In some cases, contractors may be operating under a multi-year contract that provides for annual increments of the quantities procured under the contract. This type of contract is an example of Multi-Year Procurement (MYP), identified by the following characteristics: the government negotiates the contract for the quantities to be procured in more than 1 year; contract quantities are budgeted and financed in accordance with the program year for which each quantity is authorized; and funds are obligated only for the first year's quantity, with succeeding year's contract quantities funded annually thereafter. In the event funds are not made available to support one or more succeeding year's quantities, the contract shall be canceled. However, contractors are protected from loss by the terms of the contract cancellation-ceiling clause. For MYP contracts described above, check "Yes" and enter each fiscal year of funding covered by the report. You may be required to submit a separate report by type of funds and fiscal year on designated reporting elements.

h. Item 7. FY Funded. Enter the fiscal year for which data are being reported. If the contract being reported contains more than one fiscal year, show the current year in Item 7 and the remaining years in the "Remarks" section (Item 13). If the data being reported are for program estimates, select from among the following

options of years to be covered: prior fiscal years, fiscal year – 2, fiscal year – 1, current fiscal year, fiscal year + 1, fiscal year + 2, fiscal year + 3, fiscal year + 4, fiscal year + 5, fiscal year + 6, balance to complete, and total program. Always include prior fiscal year, balance to complete, and total program values in contractor program estimates. For contractor program estimates, leave Item 7 blank, unless otherwise specified by the DoD Component.

i. Item 8. Contract Type. Enter the Electronic Data Interchange (EDI) code for the type of contract for which data are being reported. The codes for the contract types included in the Federal Acquisition Regulation (FAR) are listed in the table below. Follow the instructions that correspond with contractual submission requirements. For contractor program estimates, leave Item 8 blank, unless otherwise specified by the DoD Component.

EDI Code by FAR Contract Type

FAR Contract Types	EDI Code
Cost Reimbursement Contracts	
Cost Sharing (CS)	CH
Cost Plus Award Fee (CPAF)	CW
Cost Plus Fixed Fee (CPFF)	CX
Cost Plus Incentive Fee (CPIF)	CY
Cost Plus Incentive Fee (With Performance Incentives)	CA
Cost Plus Incentive Fee, Award Fee (CPIF/AF)[a]	CY
Fixed Price Contracts	
Firm Fixed Price (FFP)	FR
Fixed Price Incentive Fee (FPIF)	FI
Fixed Price Incentive Successive (Targets) (FPIS)	FI
Fixed Price Incentive Successive Target (With Performance Incentive)	FF
Fixed Price Incentive Firm Target (With Performance Incentive)	FB
Fixed Price with Award Fee (FP/AF)	FH
Fixed Price with Economic Price Adjustment (FP/EPA)	FX
Fixed Price with Prospective Price Redetermination (FP/PRD)	FD
Fixed Ceiling Price with Retroactive Price Redetermination (FCP/RPR)	FM
Firm Fixed Price, Level of Effort Term (FFP/LOET)	FJ
Letter Contracts (LC)	OC

[a] This type of contract exists but is not included in the FAR.

If the contract type is not in the table, enter the EDI contract code "OC" in the space provided. In addition, enter the name of the contract type in the "Remarks" section (Item 13) followed by the EDI code "OC".

If the contract type is CPIF, CPIF/AF, FPIF, or FPIS, include a reference to the complete name of the contract type in the "Remarks" section (Item 13).

j. Item 9. Contract Price Estimate. Enter the total contract price value. If the contract is FFP, FP/EPA, FP/PRD, or FCP/RPR, enter the total negotiated cost and profit for work to be performed. For all incentive and cost contracts, enter the negotiated target costs, profit or fee, and cost incentive arrangements (i.e., 70-30, 60-40) where applicable. Enter all incentive sharing arrangements using the "Remarks" section (Item 13) as necessary.

k. Item 10. Contract Ceiling. Enter the amount of the contract ceiling, if applicable.

l. Item 11. Contractor Type. Check "Prime/Associate" if you are the prime or associate contractor for the work. If you are a subcontractor, check "Subcontractor." Enter the name, division (if applicable), and address of the reporting prime contractor, associate contractor, or subcontractor in the space provided.

m. Item 12. Name of Customer (Subcontractor Use Only). If a subcontractor is submitting the report, enter the name of the customer for whom the work on contract is being performed. Also enter the number of the prime contractor's contract with the government customer. If a prime or associate contractor is submitting the report, leave this item blank.

n. Column A. Contract Line Item. In the space provided, enter the contract line item number that relates to the individual reporting element in Column B.

o. Column B. Reporting Elements. Enter the WBS reporting elements specified in the contract Cost and Software Data Reporting (CSDR) Plan approved by the CAIG Chair and included in the contract. The PM in coordination with the CWIPT shall incorporate all proposed reporting element changes in a revised CCDR Plan for review and approval by the CAIG Chair before changing the contract or other reporting direction. Nevertheless, if there have been changes to the list of reporting elements that are not reflected in the contract or approved CCDR Plan, note these discrepancies in the "Remarks" section (Item 13).

p. Column C. WBS Element Code. Enter the WBS element code for the reporting element being reported in Column B in accordance with the Contract CSDR Plan approved by the CAIG Chair. Typically, this code is used to identify the WBS structure and related indenture.

q. Columns D and H. Number of Units. In Column D, enter the cumulative number of equivalent units actually completed to date. Equivalent units represent the total of completed units plus work completed on partially completed units translated into an equivalent number of totally completed units. Note the methodology used to determine equivalent units in the "Remarks" section (Item 13). Separately identify the number of fully completed units. In Column H, enter the number of units to be procured under this contract for each reporting element. For R&D contracts, enter two quantity amounts for any reported WBS element that includes items to be procured or produced. The first entry is the quantity to be procured and delivered to the government. The second quantity represents the number of units the contractor will use internally during contract performance e.g., testing. For example, suppose that for an interim CCDR report the actual quantity (equivalent units) of deliverable units produced to date was 5.4 and the quantity of internal units produced to date was 2.3. In this case, enter 5.4/2.3 in the number of units or quantity field to date for the specific WBS element. Further assume that at completion of the contract 12 units were to be delivered and 4 systems would be used internally. Then, enter 12/4 in the number of units or quantity field at completion for that same WBS element.

r. Columns E, F, G, I, J and K. Costs Incurred To Date and At Completion—Nonrecurring, Recurring and Total. Enter actual incurred costs and estimated incurred costs at completion by segregating costs into the following three categories: nonrecurring costs, recurring costs, and total cost.

The table below summarizes the reporting requirements of prime contractors for both their data and related subcontract data. Subcontractor data refers to all contractors below the prime (regardless of specific tier) that meet CCDR reporting thresholds. Typically subcontractors will report directly to the Department of Defense/DCARC. However, on an exception basis, subcontractors can report through the prime. In these cases, the prime contractors must report both recurring and nonrecurring costs of subcontractors from whom they receive data. For subcontractors who instead report their recurring/nonrecurring split directly to the Department of Defense/DCARC, prime contractors need only show total costs. For subcontractors with no CCDR reporting requirements (referred to as nonreporting subcontractors), prime contractors with CCDR reporting requirements must provide an estimated split between recurring and nonrecurring costs.

Summary of Reported DD Form 1921 Data

DD Form 1921—Data Provided by Prime Contractors	Recurring Costs	Nonrecurring Costs	Total Costs
Prime contractor data	◆	◆	◆
Subcontractor data			
Subcontractors reporting to prime contractor	◆	◆	◆
Subcontractors reporting to DoD	❖	❖	◆
Nonreporting subcontractors	☐	☐	◆

◆ Available to and reported by prime contractor.
❖ Not reported by prime contractor (data available to DoD analysts only).
☐ Estimated and reported by prime contractor.

For the reporting elements in Column B that are reported by subcontractors without CCDR contractual requirements, include all estimated costs except General and Administrative (G&A) expenses. For reporting elements in Column B that are reported to the prime separately, enter the incurred costs and estimates at completion as reported by the subcontractor. For elements that are separately reported to the Department of Defense, use price data from subcontractor billings and other relevant cost data for incurred costs to date (Column G) and the estimated price at completion for estimated incurred costs (Column K).

Report all costs without regard to ceilings established for incentive contracts or the price on firm fixed price contracts. When the total anticipated recurring or nonrecurring costs on a contract is estimated to be 95 percent or more of the total cost at contract completion, report all cost data for each reporting element as either recurring or nonrecurring in Columns E or F and I or J, as appropriate. In these cases, the total contract split determines the breakout for each individual reporting element regardless of the actual recurring/nonrecurring split attributed to each element. Also, leave Columns E, F, and G (costs incurred to date) blank if no costs have actually been incurred.

All reported data must reflect the reporting contractor's best estimate for performing currently authorized work plus any additional directed work for which execution or negotiation of amendments is pending. This includes work not formally included in the contract price. These estimates shall be used for planning purposes only and shall not be binding on either the contractor or DoD.

Also in Columns G and K, make each of the summary entries described below on a separate line, below the last reporting element in Column B.

(1) Subcontractor G&A. Enter in Columns G and K the cumulative G&A costs to date and estimated cost at completion for each of the subcontractors who report data to you. Then submit the subcontractor's report to the government along with your own report. For subcontractors reporting directly to the government, no entry is required since such costs are included in the data reported under each reporting element. These values cover all work performed by the subcontractor and do not relate to any specific reporting element.

(2) Undistributed Budget. Enter the appropriate undistributed budget amounts in Columns G and K.

(3) Management Reserve. Enter the appropriate management reserve amounts in Columns G and K.

(4) Facilities Capital Cost of Money. Enter the appropriate facilities capital cost of money in Columns G and K.

(5) Subcontractor Profit or Fee. Enter in Columns G and K the profit or fee at completion for each of the subcontractors who provide you data. Then submit the subcontractor's report to the government with your own. For subcontractors reporting directly to the government, no entry is required since such costs are included in the summary entries of the subcontractor's report to Department of Defense. These values must cover all work performed by the subcontractor and not relate to any specific reporting element.

(6) Total Cost (Less Reporting Contractor's G&A and Profit or Fee). Enter the total cost less G&A costs and profit or fee in Column K.

(7) Reporting Contractor's G&A. Enter G&A costs incurred to date and at completion in Columns G and K.

(8) Undistributed Budget. Enter the appropriate undistributed budget amounts in Columns G and K.

(9) Management Reserve. Enter the appropriate management reserve amounts in Columns G and K.

(10) Facilities Capital Cost of Money. Enter the appropriate facilities capital cost of money in Columns G and K.

(11) Reporting Contractor's Profit or Fee. Enter in Columns G and K the total of all profit or fee in accordance with the terms of the contract (e.g., incentive formula).

(12) Total. In Columns G and K, enter the sum of the following line entries: Total Cost (less the reporting contractor's G&A and profit or fee), Reporting Contractor's G&A, Other Reporting Contractor Miscellaneous Items, and Reporting Contractor's Profit or Fee.

s. Page____ of _____. At the bottom of each page, enter the page number and total number of pages of the Cost Data Summary Report being submitted.

t. Item 13. Remarks. Note any relevant information that could be used in the interpretation of the data provided via this report.

u. Items 14a through g. Point of Contact Information. Enter the following information for the point of contact: name, department, telephone number (including area code), e-mail address, fax number, and (if not submitting electronically) signature and date signed.

Definitions:

1. *Costs Incurred*. Costs incurred represent costs identified through the use of the accrual method of accounting and reporting or otherwise actually paid. Such costs include the cost of direct labor, direct materials, and direct services identified with and necessary for the performance of a contract, as well as all properly allocated and allowable indirect costs shown in the contractor's books.
2. *General and Administrative (G&A)*. G&A consists of indirect expenses related to the overall management and administration of the contractor's business unit, including a company's general and executive offices, the cost of staff services such as legal, accounting, public relations, financial and similar expenses, and other general expenses. G&A is also considered a generic term used to describe expenses whose beneficial or causal relationship to cost objectives that cannot be more accurately assigned to overhead areas for engineering, manufacturing, material, and so on.
3. *Facilities Cost of Money*. Facilities cost of money is an imputed cost determined by applying a cost-of-money rate to facilities capital employed in contract performance. Capital employed is determined without regard to whether its source is equity or borrowed capital. The resulting cost of money is not a form of interest on borrowing.
4. *Management Reserve*. Management reserve is the amount of the total allocated budget that is held back for management control and risk purposes at the total contract level rather than designated for the accomplishment of specific tasks.
5. *Profit or Fee*. Profit is the excess of revenues over expenses in fixed-price contracts. In special cost-reimbursement pricing arrangements, fee is a form of profit representing an agreed-to amount beyond the initial estimate of costs that reflects a variety of factors, including risk, and is subject to statutory limitations. Fee may be fixed at the outset of performance, as in a cost-plus-fixed-fee arrangement, or may vary (within a contractually specified minimum-maximum range) during performance, as in a cost-plus-incentive-fee arrangement.

6. *Recurring and Nonrecurring Costs*. The following guidelines for distinguishing between recurring and nonrecurring costs apply to all reporting contractors (i.e., prime contractors, subcontractors, and lower tier contractors). While these guidelines are useful for establishing general boundaries, time reported on recurring and nonrecurring tasks should be reported as work is performed. For example, technical management tasks should be reported as recurring and nonrecurring to reflect the work actually being done rather than the general practice of aggregating and reporting the work as nonrecurring. Also, test activities that will routinely continue into production should be recorded as recurring costs.

    a. Recurring Costs. Recurring costs are repetitive elements of development and investment costs that may vary with the quantity being produced during any program development or production phase. For example, during the development phase, repetitive production-like costs incurred when producing prototype and test units, whether they be for the customer or for contractor use, are considered recurring costs. Recurring costs include the following: engineering required for redesign, modifications, reliability, maintainability, and associated evaluation and liaison; complete reporting elements produced either for test or for operational use; tool maintenance, modification, rework, and replacement; training Service personnel to operate and maintain equipment; and reproduction and update of technical data and manuals.

    b. Nonrecurring Costs. Nonrecurring costs are those elements of development and investment costs that are not repetitive (i.e., they generally occur only once or infrequently in the life cycle of a system. Such costs are often found in engineering, system test, tooling, and pre-production activities, and also include basic design and development through first release of engineering drawings and data, all system and subsystem test activities (except end item acceptance testing), configuration audits, qualification testing, technical publications through initial release, basic tool and production planning through initial release, all basic tooling, engineering models, partially built units for development or test purposes only, units not built to operational or tactical configuration, and specialized work force training.

7. *Undistributed Budget*. Undistributed budget is that portion of the budget applicable to program effort that has not yet been allocated to control account budgets or to management reserve.

End of DI-FNCL-81565A

Figure AP1.F11. DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report," Page 1

SECURITY CLASSIFICATION

FUNCTIONAL COST-HOUR AND PROGRESS CURVE REPORT

Form Approved OMB No. 0704-0188

The public reporting burden for this collection of information is estimated to average 45 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions reducing the burden to Department of Defense, Washington Headquarters Service, Directorate for Information Operations and Reports (0704-0188), 1251 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.
PLEASE DO NOT RETURN YOUR FORM TO THIS ADDRESS

1a. PROGRAM	1b. APPROVED PLAN NUMBER	2. REPORT AS OF *(MM/DD/YY)*	3. FY FUNDED	
4a. CONTRACTOR TYPE ☐ PRIME/ASSOCIATE ☐ SUBCONTRACTOR ☐ SUBCONTRACT *(Estimate by Reporting Contractor)*			5. DOLLARS IN	6. HOURS IN
4 b. NAME/ADDRESS *(Include ZIP Code*				
7a. CUSTOMER *(Subcontractors Use Only)*	7b. SUBCONTRACTOR *(Estimated by Reporting Contractor)*	8. SUBCONTRACT NO.		

9. NUMBER OF REPORTING SUBCONTRACTORS ☐	10. TYPE ACTION ☐ CONTRACT NO. _____ LATEST AMENDMENT _____
11. MULTI-YEAR CONTRACT ☐ YES ☐ NO	☐ RFP NO. _____
	☐ PROGRAM ESTIMATE
12. WBS ELEMENT CODE	**PART I. FUNCTIONAL COST-HOUR REPORT**
	14. COST TYPE ☐ RECURRING ☐ NONRECURRING ☐ TOTAL; 15. QUANTITY TO DATE ☐ AT COMPLETION ☐; 16. APPROPRIATION ☐ RDT&E ☐ PROCUREMENT
13. REPORTING ELEMENT	

DATA ELEMENTS	REPORTING CONTRACTOR TO DATE A	REPORTING CONTRACTOR AT COMPLETION B	SUBCONTRACT OR OUTSIDE PRODUCTION AND SERVICES TO DATE C	SUBCONTRACT OR OUTSIDE PRODUCTION AND SERVICES AT COMPLETION D	TOTAL TO DATE E	TOTAL AT COMPLETION F
ENGINEERING						
1. DIRECT LABOR HOURS						
2. DIRECT LABOR DOLLARS						
3. OVERHEAD						
4. MATERIAL						
5. OTHER DIRECT CHARGES *(Specify)*						
6. TOTAL ENGINEERING DOLLARS						
TOOLING						
7. DIRECT LABOR HOURS						
8. DIRECT LABOR DOLLARS						
9. OVERHEAD						
10. MATERIAL AND PURCHASED TOOLS						
11. OTHER DIRECT CHARGES *(Specify)*						
12. TOTAL TOOLING DOLLARS						
QUALITY CONTROL						
13. DIRECT LABOR HOURS						
14. DIRECT LABOR DOLLARS						
15. OVERHEAD						
16. OTHER DIRECT CHARGES *(Specify)*						
17. TOTAL QUALITY CONTROL DOLLARS						
MANUFACTURING						
18. DIRECT LABOR HOURS						
19. DIRECT LABOR DOLLARS						
20. OVERHEAD						
21. MATERIALS AND PURCHASED PARTS						
22. OTHER DIRECT CHARGES *(Specify)*						
23. TOTAL MANUFACTURING DOLLARS						
OTHER COSTS						
24. PURCHASED EQUIPMENT						
25. MATERIAL OVERHEAD						
26. OTHER COSTS NOT SHOWN ELSEWHERE *(Specify)*						
FUNCTIONAL COST-HOUR SUMMARY						
27. TOTAL COST LESS G&A						
28. G&A *(Total contract only)*						
29. TOTAL COST PLUS G&A						
30. PROFIT/FEE						
31. TOTAL PRICE *(Including G&A and Profit/Fee)*						

32. REMARKS

POINT OF CONTACT (POC) INFORMATION

33a. NAME *(Last, First, Middle Initial)*	33b. DEPARTMENT	33c. TELEPHONE NO. *(Include Area Code)*	
33d. E-MAIL ADDRESS	33e. FAX NO. *(Include Area Code)*	33f. SIGNATURE	33g. DATE SIGNED *(MM/DD/YY)*

DD FORM 1921-1, (FRONT), MAR 2003

SECURITY CLASSIFICATION

Figure AP1.F11. DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report," Page 2

SECURITY CLASSIFICATION

FUNCTIONAL COST-HOUR AND PROGRESS CURVE REPORT

PART II. PROGRESS CURVE REPORT

1. WBS ELEMENT CODE	3. UNITS/LOTS COMPLETED *(Specify)* ☐ UNIT TOTAL OR ☐ LOT TOTAL OR
2. REPORTING ELEMENT	☐ UNIT AVERAGE ☐ LOT AVERAGE

	COMPLETED UNITS/LOTS A				WORK-IN-PROCESS (WIP)	TO COMPLETE
DATA ELEMENTS	1	2	3	4	B	C
1. MODEL AND SERIES						
2. FIRST UNIT OF LOT/WIP UNITS						
3. LAST UNIT OF LOT						
4. CONCURRENT UNITS/LOTS						
CHARACTERISTICS						
5.						
6.						
7.						
PRIME CONTRACTOR						
8. DIRECT QUALITY CONTROL LABOR HOURS						
9. DIRECT MANUFACTURING LABOR HOURS						
10. TOTAL DIRECT LABOR HOURS						
11. DIRECT QUALITY CONTROL LABOR DOLLARS						
12. DIRECT MANUFACTURING LABOR DOLLARS						
13. TOTAL DIRECT LABOR DOLLARS						
14. RAW MATERIALS AND PURCHASED PARTS						
15. PURCHASED EQUIPMENT						
16. TOTAL DIRECT DOLLARS						
SUBCONTRACT/OUTSIDE PRODUCTS AND SERVICES						
17. DIRECT QUALITY CONTROL LABOR HOURS						
18. DIRECT MANUFACTURING LABOR HOURS						
19. TOTAL DIRECT LABOR HOURS						
20. DIRECT QUALITY CONTROL LABOR DOLLARS						
21. DIRECT MANUFACTURING LABOR DOLLARS						
22. TOTAL DIRECT LABOR DOLLARS						
23. RAW MATERIALS AND PURCHASED PARTS						
24. PURCHASED EQUIPMENT						
25. TOTAL DIRECT DOLLARS						
TOTAL PER UNIT/LOT						
26. DIRECT QUALITY CONTROL LABOR HOURS						
27. DIRECT MANUFACTURING LABOR HOURS						
28. TOTAL DIRECT LABOR HOURS						
29. DIRECT QUALITY CONTROL LABOR DOLLARS						
30. DIRECT MANUFACTURING LABOR DOLLARS						
31. TOTAL DIRECT DIRECT LABOR DOLLARS						
32. RAW MATERIALS AND PURCHASED PARTS						
33. PURCHASED EQUIPMENT						
34. TOTAL DIRECT DOLLARS						
35. % SUBCONTRACT OR OUTSIDE PRODUCTION AND SERVICES						

36. REMARKS

POINT OF CONTACT (POC) INFORMATION

37a. NAME *(Last, First, Middle Initial)*	37b. DEPARTMENT	37c. TELEPHONE NO. *(Include Area Code)*	
37d. E-MAIL ADDRESS	37e. FAX NO. *(Include Area Code)*	37f. SIGNATURE	37g. DATE SIGNED *(MM/DD/YY)*

DD FORM 1921-1, (BACK), MAR 2003

SECURITY CLASSIFICATION

DATA ITEM DESCRIPTION

Title: DD Form 1921-1 "Functional Cost-Hour and Progress Curve Report"

Number: DI-FNCL-81566A **Approval Date:** Draft

AMSC Number: D7333 **Limitation:**

DTIC Applicable: **GIDEP Applicable:**

Preparing Activity: (D) OSD/PA&E/CAIG

Applicable Forms: DD Form 1921-1 (OMB Control No. 0704-0188); 45 hours

Use/Relationship: DD Form 1921-1 is used to obtain essential cost data from contractors for the purpose of establishing a cost database. Prime contractors and integrating contractors for teaming arrangements with Contractor Cost Data Reporting (CCDR) requirements in their prime contracts are responsible for informing subcontractors and team contractors who meet the reporting thresholds about these requirements. All contractors must submit reports electronically to the Defense Cost and Resource Center (DCARC), who maintains a database of CCDR data. The CCDR database will be used to do the following: (1) prepare program acquisition cost estimates for major systems reviewed by the Defense Acquisition Board (DAB) and other Component reviewed programs, (2) develop independent government contract estimates in support of cost and price analyses, and (3) develop estimates to support Analyses of Alternatives (AOAs), Cost as an Independent Variable (CAIV), and long-range planning efforts. DD Form 1921-1 consists of two major parts: Part I, Functional Cost-Hour Report, and Part II, Progress Curve Report. Information acquired through these data include actual and estimated incurred costs at completion for each selected Work Breakdown Structure (WBS) element.

Part I, Functional Cost-Hour Report, displays actual costs by functional category (i.e., Engineering, Manufacturing, Quality Control, Tooling, and Other); each functional area is broken out by direct labor hours and cost category (e.g., Direct Labor, Material, Other Direct Costs, and Overhead). General and Administrative (G&A) expenses and profit or fee are reported separately at the bottom of the report. Part I data is further subdivided into recurring and nonrecurring costs. Part I data must also be submitted for the total contract and for selected WBS elements as identified by the program manager and the Cost Working-Level Integrated Product Team (CWIPT) process. The elements selected for reporting should be high-cost, high-risk, or high-technological-interest items.

Part II, Progress Curve Report, shows actual and estimated "to complete" recurring costs by unit or lot for selected reporting elements. Part II data are required only on high-risk or high-quantity programs from research and development through the completion of low-rate initial production (LRIP) and the initial full-rate production rate. This determination is made by the CWIPT for approval by the Cost Analysis Improvement Group (CAIG) Chair. For cost-estimating purposes, the CWIPT is responsible for defining units and lots for its particular programs and contracts. Lot definition for reporting purposes should be agreed upon by the contractor and the DoD customer before reporting begins. Part II data also includes direct labor hours and costs for Quality

Control and Manufacturing. Within these categories, costs are further subdivided by major cost category to include Manufacturing, Quality Control, Purchased Equipment, and Material and Purchased Parts. These data are primarily used to develop progress or learning curves.

DD Form 1921-1 reporting is mandatory on Acquisition Category (ACAT) IC and ID program contracts or subcontracts valued over $50 million (in FY 2002 dollars). Contracts priced between $7 million and $50 million (in FY 2002 dollars) are subject to CCDR reporting requirements when the CWIPT determines, and the CAIG agrees, that they are high-risk or high-technical-interest items. Contracts priced below $7 million (in FY 2002 dollars) are not subject to CCDR reporting. The 1921-1 requirement is limited to selected high-cost, high-risk, or high-technological-interest reporting elements on both contracts and subcontracts. Reporting frequency is tied to program estimating needs as determined by the program manager and the CWIPT for ACAT IC and ID programs and the program manager and the responsible Component reviewing authority for ACAT II and III programs.

This DID summarizes the format for DD Form 1921-1 and provides preparation instructions to support the specific data and frequency requirements specified in the contract. This report is one of two CCDR formats and is related to the other report, DD Form 1921, "Cost Data Summary Report" (DID number DI-FNCL-81565A). Both reports are available for inclusion on any given contract that meets the criteria specified above and any other conditions specified for a particular report.

This DID replaces DID numbers DI-FNCL-81566 and DI-FNCL-81567.

Requirements:

1. *Reference documents.* Mandatory CCDR requirements are contained in DoD Directive 5000.4.
2. *Format.* Use DD Form 1921-1 and the detailed instructions below. All CCDR reports for new or modified ACAT program I contracts awarded after October 1, 2003, must be submitted electronically using the standard Microsoft Excel template, Extensible Markup Language (XML), or the CCDR Pre-processor tool available at the DCARC Web site (http://dcarc.pae.osd.mil). Reports must be submitted as secure e-mail attachments, using a certificate issued by the DCARC for encryption and digital signature.

Preparation Instructions:

1. *General Instructions.* The following instructions apply for entering data items 1 through 13 in DD Form 1921-1. These items apply to both Part I and Part II reporting requirements.
    a. Item 1a. Program. Enter the approved system designator or the type, model, and series of the primary end item(s) being purchased under contract or being proposed for contract. If the contract or proposal includes services (research, flight tests, etc.), provide details of the work to be performed. Associate contractors and subcontractors required to report separately must enter the end item being purchased on the contract and the program for which it is being

procured (e.g., afterbody section of the F-X, wind tunnel tests for the B-X, launch equipment for missile X).

b. Item 1b. Approved Plan Number. Enter the number of the approved Contract Plan that authorized the collection of data for this report.

c. Item 2. Report As Of. Enter the appropriate numbers for the month, last day, and year of the reporting period, e.g., December 31, 2002 would be shown as 12/31/02.

d. Item 3. FY Funded. Enter the fiscal year for which data are being reported. If the contract data being reported relate to more than one fiscal year, show the most current fiscal year in Item 3 and the remaining years in the "Remarks" section (Item 32). If the data being reported are program estimates, select from the following options of years to be covered: prior fiscal years, fiscal year – 2, fiscal year – 1, current fiscal year, fiscal year + 1, fiscal year + 2, fiscal year + 3, fiscal year + 4, fiscal year + 5, fiscal year + 6, balance to complete, or total program. Always include values for prior fiscal year, balance to complete, and total program in contractor program estimates.

e. Item 4. Contractor Type. Check "Prime/Associate" if you are the prime or associate contractor for the work. If you are a subcontractor reporting to the Department of Defense or to the prime contractor, check "Subcontractor." Check "Subcontract" if you are the prime contractor preparing subcontract estimates for nonreporting subcontractors. Enter the name, division (if applicable), and address of the reporting prime contractor, associate contractor, or subcontractor in the space provided.

f. Item 5. Dollars In. Report all cost data in thousands of dollars rounded to the nearest tenth, unless otherwise specified in the RFP or contract.

g. Item 6. Hours In. Report all labor-hour data in thousands rounded to the nearest tenth, unless otherwise specified in the RFP or contract. Where contractor data-gathering systems do not supply the data rounded as specified, complete the reporting requirements in the manner in which the data are generated and make a note in the "Remarks" section (Item 32).

h. Items 7a. Customer (Subcontractor Use Only). Item 7a is applicable only if you are a subcontractor submitting the report. If you are a prime or associate contractor, leave this item blank. Otherwise, enter the name of the customer (prime contractor) for whom the work on contract is being performed. Also enter the number of the prime contractor's contract with the government customer.

i. Items 7b. Subcontractor (Estimate by Reporting Contractor). If the prime contractor is estimating the subcontractor's cost, enter the name and address of the subcontractor. Otherwise, leave this item blank.

j. Item 8. Subcontract No. If you are the prime contractor, enter the subcontract number you have for each subcontract that has CCDR reporting requirements.

k. Item 9. Number of Reporting Subcontractors. If there are any subcontractors with CCDR requirements, enter the number of subcontractors reporting. Otherwise, leave this item blank.

l. Item 10. Type Action. If you are reporting on a contract estimate, check "Contract No." and enter the assigned contract number as well as the number of the latest contract amendment. If you are reporting data in response to an RFP, check "RFP No." and enter the RFP number. To enter a program estimate, check "Program Estimate" and enter the estimate in the space provided.

m. Item 11. Multi-Year Contract. If the contract is funded from a single fiscal year, check "No" and enter the specific fiscal year funding for the contract in the "Remarks" section (item 32). However, if the report pertains to an incrementally funded research and development contract, check "Yes" and enter all the fiscal years covered by the contract in the "Remarks" section (item 32). In some cases, contractors may be operating under a multi-year contract that provides for annual increments of the quantities procured under the contract. This type of contract is an example of multi-year procurement (MYP). For MYP contracts, check "Yes" and enter the fiscal year of funding covered by the report. If contractually required, a separate report by type of funds and fiscal year on designated reporting elements may be required. MYP contracts are identified by the following characteristics: the government negotiates the contract for the quantities to be procured in more than one year; contract quantities are budgeted and funded in accordance with the program year for which each quantity is authorized; funds are obligated only for the first year's quantity, with succeeding year's contract quantities funded annually thereafter. In the event funds are not made available to support one or more succeeding year's quantities, the contract shall be canceled. However, contractors are protected from loss by the terms of the contract cancellation-ceiling clause.

n. Item 12. WBS Element Code. Enter the numeric/alpha code assigned to the WBS element being reported on.

o. Item 13. Reporting Element. Enter the WBS reporting element specified in the contract or by the DoD Component for which cost data are to be reported. These reporting elements must match those listed in the approved CCDR Plan or provide a mapping scheme that tracks the approved WBS to the newly proposed WBS. The CWIPT shall incorporate all proposed reporting element changes in a revised CCDR Plan for review and approval by the CAIG Chair before changing the contract or other reporting direction. Nevertheless, if there have been changes to the list of reporting elements that are not reflected in the contract or approved CCDR Plan, note these discrepancies in the "Remarks" section (item 32).

2. *Part I, Functional Cost-Hour Report:* Complete items in Part I using data extracted from accounting records for the designated cost elements and functional categories defined at the end of this DID. If your accounting system aggregates incurred costs in a manner that does not coincide with those definitions, estimate the costs required for CCDR effort and describe the estimation method in the "Remarks" section (Item 32). For example, if overtime and shift premiums for direct labor are charged to overhead,

show these costs in Item 32 by functional category. Report fringe benefits charged as direct rather than to an overhead account separately and show them in Item 32.

a. Item 14. Cost Type. Check the appropriate box to indicate whether the data reported in Part I is for nonrecurring, recurring, or total effort. Nonrecurring costs are those elements of development and investment costs that generally occur only once in the life cycle of a system. Recurring costs are repetitive elements of development and investment costs that may vary with the quantity being produced. Total cost (cost incurred) is the sum of nonrecurring and recurring cost incurred. For more comprehensive definitions of these terms, refer to the definitions beginning in Section 7 of this document and in the CCDR Manual. The following guidelines apply to the total contract and to each WBS element selected for reporting as noted in the CCDR Plan.

   If either nonrecurring or recurring cost is projected to be more than 5 percent but less than 95 percent of the estimated incurred costs at completion; separate reports for nonrecurring and recurring cost are needed. A third report for total costs for that reporting element is also required. However, if either recurring cost or nonrecurring cost represents 95 percent or more of the costs for each element selected for reporting, mark the "Total" box as well as the "Recurring" or "Nonrecurring" box. The table below shows these reporting requirements for prime contractors.

   Application of the reporting requirements in the table may result in different recurring/nonrecurring splits for the total contract and for individual elements selected for reporting. For example, if 96 percent of the total contract is recurring, all costs for total contract reporting would be shown as recurring. However, if an individual WBS element selected for reporting on that same contract is 80 percent recurring and 20 percent nonrecurring, two reports would be required to reflect the split and a third report would also be required for total costs.

Reporting Recurring and Nonrecurring Costs on DD Form 1921-1

If the split is:	The prime submits:	And marks:
95% or more Recurring 5% or less Nonrecurring	One report—show total costs	"Recurring" in Item 14 and notes in Item 32, Remarks, that data reflect total costs
50% Recurring 50% Nonrecurring	Two reports—one for recurring and one for nonrecurring	"Recurring" or "Nonrecurring" in Item 14 as appropriate
5% or less Recurring 95% or more Nonrecurring	One report—show total costs	"Nonrecurring" in Item 14 and notes in Item 32, Remarks, that data reflect total costs

Note: Contractors may report the recurring and nonrecurring breakout regardless of the percentage split.

b. Item 15. Quantity. Enter for this contract the quantity of equivalent units completed to date and the total number of completed units at contract completion. Equivalent units represent work on fully completed units plus work on partially

completed units translated into an equivalent number of totally completed units. Note the methodology used to determine equivalent units in the "Remarks" section (item 32). For research and development contracts, enter two quantity amounts for any reported WBS element that includes items to be procured or produced. The first entry is the quantity to be procured and delivered to the government. The second quantity represents the number of units the contractor will use internally during contract performance e.g., testing. For example, in an interim CCDR report, assume the actual quantities (equivalent units) produced to date were 5.4 and the number of internal units produced to date was 2.3. In this case, enter 5.4/2.3 in the number of units or quantity field to date for the specific WBS element. Further assume that at completion of the contract 12 units were to be delivered and 4 systems would be used internally. Then, enter 12/4 in the number of units or quantity field at completion for that same WBS element. Reported quantities must be consistent with the quantities reported in the DD Form 1921.

c. Item 16. Appropriation. Check the appropriate box to indicate the type of appropriation, Research, Development, Test and Evaluation (RDT&E) or Procurement, used to fund the contract. If funding other than RDT&E and Procurement is used, leave this item blank and note the specific type of funds in the "Remarks" section (Item 32 of Part I).

d. Reporting Contractor—Columns A and B. To Date and At Completion. The reporting contactor can be the prime, associate, subcontractor, or lower tier subcontractor who is responsible for preparing and submitting the report. Enter the recurring and nonrecurring costs and hours that have been incurred to date for the reporting contractor. The estimated costs at completion of the contract shall be based on the planned or expected costs to be incurred regardless of contract price, ceiling, or funds available.

e. Subcontract or Outside Production and Services—Columns C and D To Date and At Completion. Enter the estimated total recurring and nonrecurring costs and hours that may be incurred at completion. The estimated costs at completion of the contract shall be based on the planned or expected costs to be incurred regardless of contract price, ceiling, or funds available.

The table below illustrates reporting requirements for subcontractor and outside production and services in Part I of DD Form 1921-1. The total of the individual categories to date and at completion must agree with the estimated cumulative price to date and the total contract price at completion.

Reporting Requirements in Part I of DD Form 1921-1

Line #	Data	Prime Contractor Data	Subcontractor Data		
			Subcontractors Reporting to the DoD	Nonreporting Subcontractors	Nonreporting Subcontractors (Airframe)
1–5	Engineering Line Items	◆	☐		❖
6	Total Engineering	◆	☐	❖	❖
7–11	Tooling Line Items	◆	☐		❖

12	Total Tooling	◆	☐	❖	❖
13–16	Quality Control Line Items	◆	☐		❖
17	Total Quality Control	◆	☐	❖	❖
18–22	Manufacturing Line Items	◆	☐		❖
23	Total Manufacturing	◆	☐	❖	❖
24–26	Other Costs	◆	☐		❖
27	Total Cost Less G&A	◆	☐		❖
28	G&A*	◆	☐		
29	Total Cost Plus G&A*	◆	☐	❖	❖
30	Profit/Fee*	◆			
31	Total Price*	◆	◆**	◆	◆

◆ Actual data included in report.
◆** Actual data included in "Remarks" section of report (item 32).
❖ Estimated data included in report.
☐ Data available to DoD analysts only.
* Report data for total contract only.

Outside Production and Services is a special category of costs on subcontracts for the Airframe reporting element. Prime contractors shall fill out the appropriate data items for subcontractors not reporting separately. Estimate each line item. Distribute all subcontracts for Airframe by function in Outside Production and Services, either among all categories or as purchased equipment.

Special instructions for the Airframe reporting element within ACAT I, II, and III program contracts are provided in part 4 of these preparation instructions. All subcontractors for items or services normally produced or performed in airframe plants are to be distributed as appropriate among all functional categories of cost. Include as purchased equipment all subcontracts for items defined as purchased equipment for the Airframe reporting element. Final entries shall be the subcontractor's G&A and profit or fee.

f. Total—Columns E and F To Date and At Completion Recurring/Nonrecurring. Enter the total of Columns A and C (To Date) in Column E and the total of Columns B and D (At Completion) in Column F.

g. Data Elements. Lines 1 through 31.

(1) Line 1. Direct Labor Hours (Engineering). Enter direct labor hours related to the Engineering functional category for the reporting element.

(2) Line 2. Direct Labor Dollars (Engineering). Enter direct labor dollars related to the Engineering functional category for the reporting element.

(3) Line 3. Overhead (Engineering). Enter overhead costs related to the Engineering functional category for the reporting element.

(4) Line 4. Material (Engineering). Enter material costs for the reporting element.

(5) Line 5. Other Direct Charges (Engineering). Specify and enter any other direct charges related to the Engineering functional category for the reporting element.

(6) Line 6. Total Engineering Dollars. Enter the sum of Lines 2 through 5.

(7) Line 7. Direct Labor Hours (Tooling). Enter direct labor hours related to the Tooling functional category for the reporting element.

(8) Line 8. Direct Labor Dollars (Tooling). Enter direct labor dollars related to the Tooling functional category for the reporting element.

(9) Line 9. Overhead (Tooling). Enter overhead costs related to the Tooling functional category for the reporting element.

(10) Line 10. Materials and Purchased Tools (Tooling). Enter materials and purchased tools costs related to the Tooling functional category for the reporting element.

(11) Line 11. Other Direct Charges (Tooling). Enter other direct charges related to the Tooling functional category for the reporting element and specify what the charges are for.

(12) Line 12. Total Tooling Dollars. Enter the sum of Lines 8 through 11.

(13) Line 13. Direct Labor Hours (Quality Control). Enter direct labor hours related to the Quality Control functional category for the reporting element.

(14) Line 14. Direct Labor Dollars (Quality Control). Enter direct labor dollars related to the Quality Control functional category for the reporting element.

(15) Line 15. Overhead (Quality Control). Enter overhead costs related to the Quality Control functional category for the reporting element.

(16) Line 16. Other Direct Charges (Quality Control). Specify and enter any other direct charges related to the Quality Control functional category for the reporting element.

(17) Line 17. Total Quality Control Dollars. Enter the sum of Lines 14 through 16.

(18) Line 18. Direct Labor Hours (Manufacturing). Enter direct labor hours related to the Manufacturing functional category for the reporting element.

(19) Line 19. Direct Labor Dollars (Manufacturing). Enter direct labor dollars related to the Manufacturing functional category for the reporting element.

(20) Line 20. Overhead (Manufacturing). Enter overhead costs related to the Manufacturing functional category for the reporting element.

(21) Line 21. Material and Purchased Parts (Manufacturing). Enter material and purchased parts costs related to the Manufacturing functional category for the reporting element.

(22) Line 22. Other Direct Charges (Manufacturing). Specify and enter any other direct charges related to the Manufacturing functional category for the reporting element.

(23) Line 23. Total Manufacturing Dollars. Enter the sum of Lines 19 through 22.

(24) Line 24. Purchased Equipment (Other Costs). Enter purchased equipment costs not assigned to the functional categories (Engineering, Manufacturing, Quality Control, and Tooling).

(25) Line 25. Material Overhead (Other Costs). Enter overhead costs attributable to procured or subcontracted products, including the costs of purchasing, expediting, and storing materials, parts, equipment, and assemblies.

(26) Line 26. Other Costs Not Shown Elsewhere. Specify and enter all direct costs for the reporting element not assigned to the functional categories (Engineering, Manufacturing, Quality Control, and Tooling). Include undistributed budget, management reserve, and facilities capital cost of money, as appropriate. Provide details for all of these costs in the "Remarks" section (item 32). For all items not segregated by WBS, also enter this element on the total program report.

(27) Line 27. Total Cost Less G&A (Functional Cost-Hour Summary). Enter the total of all direct and overhead costs for the Functional Cost-Hour elements.

(28) Line 28. G&A (Functional Cost-Hour Summary). Enter total contract G&A costs when reporting for the total contract; otherwise, leave this item blank.

(29) Line 29. Total Cost Plus G&A (Functional Cost-Hour Summary). When reporting on the total contract, enter the total of Lines 27 and 28. Otherwise, leave this item blank.

(30) Line 30. Profit/Fee (Functional Cost-Hour Summary). When reporting on the total contract, enter the amount of profit or fee. Otherwise, leave this item blank.

(31) Line 31. Total Price (Functional Cost-Hour Summary). Enter the total of all costs, both direct and indirect, plus G&A and profit or fee, for the total contract.

h. Item 32. Remarks. Note any relevant information that could be used in the interpretation of the data provided via this report.

i. Point of Contact (POC) Information. Items 33a through g. Enter the relevant information about the POC as follows: Item 33a, last name, first name, and middle initial; Item 33b, department name; Item 33c, telephone number, including area code; Item 33d, e-mail address; Item 33e, fax number, including area code; Item 33f, signature, if not submitting the form electronically; and Item 33g, date signed, if not submitting the form electronically.

3. *Part II, Progress Curve Report*

a. Line 1. WBS Element Code. Enter the numeric/alpha code assigned to the WBS element being reported on.

b. Line 2. Reporting Element. Enter the WBS reporting element specified in the contract or by the DoD Component for which cost data are to be reported. These reporting elements must match those listed in the approved CCDR Plan. The CWIPT shall incorporate all proposed reporting element changes in a revised

CCDR Plan for review and approval by the CAIG Chair before changing the contract or other reporting direction. Nevertheless, if there have been changes to the list of reporting elements that are not reflected in the contract or approved CCDR Plan, note these discrepancies in the "Remarks" section (item 36).

c. Line 3. Units/Lots Completed. Check the appropriate box to indicate whether the hour and cost data entered on this report are for unit or lot totals or unit or lot averages.

d. Completed Units/Lots. Columns A1 through A4. Report appropriate data for each unit or lot completed even if the DoD contracting component has not yet accepted the item. Include all completed units whether designated as test, operational, or spare. Do not report on items such as spare parts or mock-ups, which represent only partially completed units. If needed, additional columns may be added sequentially (i.e., A5, A6, etc.).

e. Work-in-Process (WIP). Column B. Enter incurred cost and hour data for all units started but not yet completed during the reporting period.

f. To Complete. Column C. Enter estimates for recurring cost and hour data to complete the work-in-process. For lot data, show the costs and hours estimated to complete the entire lot even if all the units were not started and reported in Column B.

g. Data Elements. Lines 1 through 4.

(1) Line 1. Model and Series. Enter the basic model and series designation in Columns A through C for each test unit, operational unit, or lot being reported. A basic model includes all units whose weight, dimensions, performance characteristics, and manufacturing process are so similar that the Department of Defense considers them to be identical. If a lot includes more than one series of a model, note the number and series designation of each in the "Remarks" section (item 36).

(2) Lines 2 through 4. First Unit of Lot/WIP Units, Last Unit of Lot, and Concurrent Units/Lots. Enter the cumulative number of units completed at the beginning of the reporting period and the number of units completed at the end of the reporting period in Column A2 and A3, respectively. Unless otherwise specified, cumulative units are to be total units of a given model the reporting contractor has accepted since the inception of a program/model, regardless of the number of contracts under which the model has been procured. Enter data for units or lots that are in process during the period in Column B and those to be started later in Column C.

Concurrent units or lots are items being produced within a given lot or in another lot in the same FY buy, respectively, that do not apply to the contract being reported. Included in this category are items for commercial delivery or delivery to the other DoD Components or programs (e.g., Military Assistance Program) on separate contracts. For Column A4, enter the number of concurrent units in each lot that applies to that FY buy. In a production situation when the relevant costs cannot be isolated, use the unit

average costs for all units in the lot, regardless of whether they are delivered under the contract being reported or are concurrent units.

When reporting on a unit, enter the cumulative number of each unit completed during the period in Line 2. Unless otherwise specified, cumulative units are to be total units of a given model the reporting contractor has completed since the inception of a program/model, regardless of the number of contracts under which the model has been procured.

Where unit- or lot-accounting systems are not available, equivalent units may be used as the basis for reporting in Line 2. This method may be followed if, in the judgment of the procuring contracting officer, workstation standards are of such quality that standard equivalent units may be reasonably accurate and provide a consistent measure of acceptable work. If you use this equivalent units method, lots shall include the standard equivalent units of production for time periods no greater than one month. Include explanations in the "Remarks" section (item 36).

h. Characteristics. Lines 5 through 7. The contractor reports the specific characteristics (e.g., weight, range, and speed) based on the approved CCDR Plan. The CWIPT is responsible for identifying the characteristics proposed for reporting in the CCDR Plan that is forwarded to the CAIG for approval. Airframe weight is a mandatory requirement for aircraft contracts. In Columns A, B, and C, enter the unit or average lot characteristics for units produced under the contract. Distinguish "make weight" between prime contractors and subcontractors, if applicable. If additional space is required, use the "Remarks" section (item 36). See the special instructions on the Airframe reporting element (part 4 of these preparation instructions) for instructions on entering Airframe weight on Line 5.

i. Prime Contractor. Lines 8 through 16. Enter for each unit or lot the contractor's direct labor hours and dollars per unit (or average per lot) for Quality Control and Manufacturing Labor, Raw Materials and Purchased Parts, and Purchased Equipment as shown below. Complete the reporting requirements using data extracted from existing accounting records. If your records do not provide actual figures, give an estimate and indicate the basis for the estimate in the "Remarks" section (item 36). Also, when reporting hours and costs incurred to date, leave fields blank if none have actually been incurred.

(1) Line 8. Direct Quality Control Labor Hours. Enter direct labor hours related to the Quality Control functional category for each unit or lot.

(2) Line 9. Direct Manufacturing Labor Hours. Enter direct labor hours related to the Manufacturing functional category for each unit or lot.

(3) Line 10. Total Direct Labor Hours. Enter the sum of lines 8 and 9.

(4) Line 11. Direct Quality Control Labor Dollars. Enter direct labor dollars per unit (or average per lot) related to the Quality Control functional category.

(5) Line 12. Direct Manufacturing Labor Dollars. Enter direct labor dollars per unit (or average per lot) related to the Manufacturing functional category.

(6) Line 13. Total Direct Labor Dollars. Enter the sum of lines 11 and 12.

(7) Line 14. Raw Material and Purchased Parts. Enter material and purchased parts costs per unit (or average per lot) related to the Manufacturing functional category.

(8) Line 15. Purchased Equipment. Enter purchased equipment costs per unit (or average per lot).

(9) Line 16. Total Direct Dollars. Enter the sum of Lines 13, 14, and 15.

j. Subcontract/Outside Production and Services. Lines 17 through 25. The following table illustrates reporting requirements for subcontractor and outside production and services in Part II of DD Form 1921-1. The total of the individual categories to date and at completion must agree with the estimated cumulative price to date and the total contract price at completion.

Reporting Requirements in Part II of DD Form 1921-1

Line #	Data	Prime Contractor Data	Subcontractor Data	
			Subcontractors Reporting to the DoD	Nonreporting Subcontractors
11	Direct Quality Control Labor Dollars	◆		
12	Direct Manufacturing Labor Dollars	◆		
14	Raw Materials and Purchased Parts	◆		
15	Purchased Equipment	◆		
16	Total Direct Dollars (Prime Contractor)	◆		
18	Direct Manufacturing Labor Hours		☐	❖
20	Direct Quality Control Labor Dollars		☐	❖
21	Direct Manufacturing Labor Dollars		☐	❖
23	Raw Materials and Purchased Parts		☐	❖
24	Purchased Equipment		☐	❖
25	Total Direct Dollars (Subcontractor/ Outside Production and Services)		◆*	◆

◆ Actual data included in report.
◆*Actual data included in "Remarks" section of report (item 36).
❖ Estimated data included in report.
☐ Data available to DoD analysts only.

Outside Production and Services is a special category of costs on subcontracts for the Airframe reporting element. See the special instructions on Airframe reporting element (in part 5 of these preparation instructions).

(1) Line 17. Direct Quality Control Labor Hours. Enter direct labor hours related to the Quality Control functional category for each unit or lot.

(2) Line 18. Direct Manufacturing Labor Hours. Enter direct labor hours related to the Manufacturing functional category for each unit or lot.

(3) Line 19. Total Direct Labor Hours. Enter the sum of lines 17 and 18.

(4) Line 20. Direct Quality Control Labor Dollars. Enter direct labor dollars per unit (or average per lot) related to the Quality Control functional category.

(5) Line 21. Direct Manufacturing Labor Dollars. Enter direct labor dollars per unit (or average per lot) related to the Manufacturing functional category.

(6) Line 22. Total Direct Labor Dollars. Enter the sum of lines 20 and 21.

(7) Line 23. Raw Materials and Purchased Parts. Enter material and purchased parts costs per unit (or average per lot) related to the Manufacturing functional category.

(8) Line 24. Purchased Equipment. Enter purchased equipment costs per unit (or average per lot).

(9) Line 25. Total Direct Dollars. Enter the sum of Lines 22, 23, and 24.

k. Total per Unit/Lot. Lines 26 through 35.

(1) Line 26. Direct Quality Control Labor Hours. Enter the sum of lines 8 and 17.

(2) Line 27. Direct Manufacturing Labor Hours. Enter the sum of lines 9 and 18.

(3) Line 28. Total Direct Labor Hours. Enter the sum of lines 10 and 19.

(4) Line 29. Direct Quality Control Labor Dollars. Enter the sum of lines 11 and 20.

(5) Line 30. Direct Manufacturing Labor Dollars. Enter the sum of lines 12 and 21.

(6) Line 31. Total Direct Labor Dollars. Enter the sum of lines 13 and 22.

(7) Line 32. Raw Materials and Purchased Parts. Enter the sum of lines 14 and 23.

(8) Line 33 Purchased Equipment. Enter the sum of lines 15 and 24.

(9) Line 34. Total Direct Dollars. Enter the sum of lines 31, 32, and 33.

(10) Line 35. % Subcontract or Outside Production and Services. For subcontracted work, enter the percentage of subcontracted cost to total cost per unit, excluding the Airframe reporting element. For outside production and services involving the Airframe reporting element, enter the percentage of outside production and service hours to total hours per unit.

l. Item 36. Remarks. Note any relevant information that could be used in the interpretation of the data provided via this report.

m. Items 37a through g. Point of Contact (POC) Information. Enter the relevant information about the POC as follows: Item 37a, last name, first name, and middle initial; Item 37b, department name; Item 37c, telephone number, including area code; Item 37d, e-mail address; Item 33e, fax number, including area code; Item 37f, signature, if not submitting the form electronically; and Item 37g, date signed, if not submitting the form electronically.

4. *Special Instructions for the Airframe Reporting Element.* The purpose of these instructions is to achieve comparability of airframe costs, both aircraft and missiles, among contractors who prepare DD form 1921-1, "Functional Cost-Hour and Progress Curve Report." These instructions apply to all ACAT programs that report airframe costs. The Airframe reporting element is used to describe the collection of

certain structural assemblies, equipment, and functional costs as defined in MIL-HDBK-881 and expanded upon here.

a. Categories of Cost. For cost consistency purposes, airframe costs are divided into Airframe Manufactured Equipment and Airframe Purchased Equipment. The primary distinction between these categories lies in where the airframe components are typically made. Components normally fabricated and assembled by airframe plants are considered Airframe Manufactured Equipment, and components normally procured from non-airframe plants are identified as Airframe Purchased Equipment. A detailed description of each follows.

   (1) Airframe Manufactured Equipment. This category of airframe costs includes labor (Engineering, Tooling, Quality Control, Manufacturing), tools, test equipment, raw materials, and purchased parts required to design, fabricate, and assemble the airframe plus the installation and checkout of all the air vehicle equipment. This category also includes installation parts, wiring, tubing, and so on, for installing all equipment (known as Group A equipment), all actuating hydraulic cylinders, primary landing gear components such as struts, trinnons, shock absorbers, axles and launch bars (brakes, wheels, tires, hydraulic lines, and actuators should be included in Purchased Equipment), radomes, canopies, ducts, seats (except ejection mechanism) for passenger and crew, and food preparation equipment such as galleys, stoves, refrigeration units, and fixed external tanks.

   Report all Airframe Manufactured Equipment items on DD Form 1921-1 using the functional categories of Engineering, Tooling, Manufacturing, and Quality Control in Part I, Functional Cost-Hour Report, within either the Reporting Contractor or Subcontract or Subcontract or Outside Production and Services sections. Report Airframe Manufactured Equipment items using the functional categories of Quality Control and Manufacturing in Part II, Progress Curve Report. If any major portion of Airframe Manufactured Equipment is subcontracted, report it under the Subcontract or Outside Production and Services section at the same level of indenture as the prime manufacturer's costs and hours.

   While make-or-buy decisions often change throughout the performance of a contract, always use the appropriate functional categories to show components identified as Airframe Manufactured Equipment, whether the contractor makes or buys the items.

   (2) Airframe Purchased Equipment. This category consists of components normally procured from non-airframe plants, including landing gear (wheels brakes, tires, floats, skids, and skis), environmental control equipment, air conditioning equipment, multipurpose hydraulic and pneumatic pumps, power conversion equipment, instrumentation/navigation equipment, fire detection/extinguishing equipment, flight control instrumentation, heat exchangers, electrical actuators, compressors, pressure control equipment, pressure storage vessels, multipurpose power supplies, guns/gun turrets, starters, propellers, cameras, and trapped fuel.

While make-or-buy decisions often change throughout the performance of a contract, always show components identified as Airframe Purchased Equipment under either the Reporting Contractor section or the Subcontract or Outside Production and Services section, regardless of whether the particular contractor makes or buys the items.

Report the price paid to vendors for purchased equipment. If the prime contractor makes the equipment in house, the cost should still be reported in the Airframe Purchased Equipment category.

b. Subcontracts and Outside Production and Services. Prime contractors shall fill out the appropriate data items in Lines 17 through 25 in Part II for subcontractors not reporting separately. Estimate each line item. Distribute all subcontracts for Airframe by function in Outside Production and Services, either among all categories or as purchased equipment.

The following additional guidelines apply for the Airframe reporting element within ACAT I, II, and III program contracts. All subcontractors for items or services normally produced or performed in airframe plants are to be distributed as appropriate among all functional categories of cost. Include as purchases equipment all subcontracts for items defined as purchased equipment for reporting element Airframe.

c. Relationship of Airframe and Selected WBS Elements. The following paragraphs clarify the cost relationships between the airframe and the WBS elements of Systems Test and Evaluation, Systems Engineering, and Data.

(1) Systems Test and Evaluation. Report all tests for the airframe or interfaces between the airframe and installed mission-oriented equipment as airframe recurring costs if the tests will continue in production. All development tests performed by the airframe manufacturer for the airframe and its interfaces with the avionics equipment should fall within the specific test program called out under Systems Test and Evaluation (e.g., static, fatigue, flight tests, etc.) or Other Systems Test and Evaluation. Include instrumentation for the engineering and manufacturing development test program in Flight Test under System Test and Evaluation.

(2) Systems Engineering. Systems Engineering should be limited to engineering for the interfaces of the total weapon system with the external environment (e.g., support equipment, test facilities, etc.). Include engineering of all internal interfaces such as avionics to airframe, engines to airframe in Airframe as nonrecurring. Also include all tradeoffs, design, and so on, for the air vehicle in Airframe as nonrecurring.

(3) Data. Include in the Data category only costs that will not be incurred if the data are eliminated from DD Form 1423, "Contract Data Requirements List."

d. Airframe Weight Reporting. Instructions for entering Airframe weight in Line 5 of Part II, Progress Curve Report, are explained below.

(1) Airframe (including Rotorcraft). The structure and equipment that comprise the airframe (including rotorcraft) for cost purposes from Military Standard

(MIL-STD) 1374A, "Weight and Balance Data Reporting Forms for Aircraft (including Rotorcraft)," June1974. MIL-STD 1347A is available at the Acquisition Streamlining and Standardized Information System (ASSIST) Web site (http://astimage.daps.dla.mil/online/new). These reporting forms identify the primary items of an aircraft or rotorcraft and are a convenient way to report airframe costs.

(2) Airframe Unit Weight. Airframe unit weight (AUW), as shown in the Defense Contractors' Planning Reports and Aeronautical Manufacturers' Reports, was developed to isolate the portion of the empty weight normally produced in an aircraft manufacturer's facility. In order to use aircraft weight statements in conjunction with CCDRs, the portions of cost not associated with the AUW must be discretely identifiable. This information can be used to develop meaningful cost and weight relationships only when the equipment included in the AUW is directly related to the airframe manufacturer's cost.

AUW is the empty weight minus the weight of specific items not included in AUW, regardless of their method of acquisition. Empty weight is the combined weight of the airframe's manufactured structure, purchased equipment, propulsion, and avionics.

For airplanes, empty weight is configured in the airplane detail specification and tabulated in MIL-STD 1374A. The following table shows the items not included in AUW (items 6 through 15 and 17 through 21) for airplanes. If more than one configuration exists (as may occur in cargo/personnel transports due to cargo configuration versus personnel seat arrangements), two different empty weights may result. In that case, furnish data for both configurations.

Items in Airplane Empty Weight and AUW

	Item	Empty Weight	Airframe Unit Weight
1	Fuselage	X	X
2	Wing	X	X
3	Empennage	X	X
4	Primary Landing Gear	X	X
5	Nacelle	X	X
6	Propellers	X	
7	Engines (Main & Auxiliary)	X	
8	Rubber or Nylon Fuel Cells	X	
9	Starters (Main & Auxiliary)	X	
10	Batteries & Electrical Power Supply	X	
11	Auxiliary Power Plant Unit	X	
12	Instruments	X	
13	Air Conditioning Unit	X	
14	Anti-Icing	X	
15	Avionics Hardware (Group B)	X	
16	Avionics Install (Group A)	X	X
17	Camera & Optical Viewfinders	X	

18	Turrets & Power Operated Mounts	X	
19	Wheels	X	
20	Brakes	X	
21	Tires & Tubes	X	

For missiles and space launch vehicles, empty weight is configured in the missile and space launch vehicles detail specification and tabulated in MIL-STD 176A, "Weight and Balance Data Reporting Forms for Guided Missiles and Space Launch Vehicles," November 27, 1997. MIL-STD 176A is available at http://assist.daps.dla.mil/docimages/0000/90/61/176A-1.PD5, the ASSIST Web site. The following table shows the items not included in AUW (items 4, 6 through 8, 10, and 12) for missiles and space launch vehicles.

Items in Missiles and Launch Vehicles Empty Weight and AUW

	Item	Empty Weight	Airframe Unit Weight
1	Aerodynamic Surface	X	X
2	Body	X	X
3	Takeoff and Recovery	X	X
4	Propulsion	X	
5	Power Generator	X	X
6	Orientation	X	
7	Guidance	X	
8	Electronics	X	
9	Environmental Protection	X	X
10	Armament	X	
11	Separation System	X	X
12	Destruct System	X	
13	Emergency Equipment	X	X
14	Visual Identification	X	X

e. Outside Production and Services. For the Airframe reporting element, Outside Production and Services is a special category of subcontracts the prime contractor must fill out for all subcontracts not reporting separately to Department of Defense. Distribute all subcontracts for Airframe by function as Outside Production and Services, either among all categories or as purchased equipment. The following guidelines apply (even when make-or-buy decisions change during contract execution): all subcontracts for items or services normally produced or performed in airframe plants must be distributed as appropriate among all functional categories of cost whether the particular contractor makes or buys the items; all subcontracts for items that fall within the definition of Purchased Equipment (described by the special instructions for reporting Airframe in Appendix 1) must be included as purchased equipment whether the particular contractors make or buy the items; final entries shall be subcontractor's G&A and profit or fee.

Definitions:

1. *Functions*

    a. Manufacturing. The Manufacturing functional category includes the effort and costs expended in the fabrication, assembly, and functional testing of a product or end item. It involves all the processes necessary to convert a raw material into finished items. Note that test activities that routinely continue during production should be recorded as recurring.

    b. Quality Control. The Quality Control functional category includes activities that check, physically inspect, measure, and test the product. Quality control efforts typically focus on manufacturing, shops, receiving and shipping, and records that are necessary to assure that hardware, end items, parts, components, processes, and tests are being fabricated, assembled, and tested in accordance with engineering drawings and specifications.

2. *Performing Contractor*

    a. Contractor. The contractor is the party performing the task or service or providing the equipment, hardware, facility, or end item specified in a contract for delivery to a customer or buyer, generally the Department of Defense.

    b. Subcontract. A subcontract is any agreement, purchase order, or instrument other than a prime contract calling for work or for the material required for the performance of one or more prime contracts. It usually covers procurement of major components or subsystems that require the subcontractor to do extensive design, development, engineering, and testing to meet a prime contractor's procurement specifications. A company that has a subcontract without CCDR reporting requirements with a company whose prime contract contains CCDR reporting requirements is referred to as a nonreporting subcontractor.

3. *Cost Categories*

    a. Direct Labor Dollars (All Functions). Direct labor dollars are those dollars that can be specifically and consistently identified or assigned to a particular cost objective (e.g., work order).

    b. Direct Labor Hours (All Functions). Direct labor hours are those hours that can be specifically and consistently identified or assigned to a particular cost objective (e.g., a work order).

    c. Purchased Equipment. Manufactured and assembled items the contractor procures from outside sources that are required for installation in the reporting element. Such equipment normally costs over $1,000 per unit and exhibits a wide range of complexity. Examples of purchased equipment for large weapon systems are multipurpose hydraulic and pneumatic pumps, motors, generators, air conditioning equipment, batteries, landing gear, instruments, pedestals, and so on. Where the reporting contractor specifically controls the design of such equipment for the unique requirements of the WBS element, purchased equipment is subcontracted and reported. Subcontracts for items falling within the definition of

Purchased Equipment must be included as purchased equipment whether the particular contractor makes or buys the items.

d. Raw Materials and Purchased Parts. Raw Materials and Purchased Parts within the Manufacturing functional category include the costs of raw and semi-fabricated material plus purchased parts used in the manufacture of the specified reporting element. The purchased parts are essentially off-the-shelf items that are widely used in industry and supplied by a specialized manufacturer who has the proprietary right to the product. The following are examples of materials and purchased parts: raw materials in typically purchased forms and shapes (sheets, bars, rods, etc.); semi-fabricated materials in typically purchased forms and shapes (wires, cables, fabrics, conduits, tubing, sealing strips, fiberglass, windshield glass, etc.); raw castings and forgings; manufactured proprietary clips, fasteners, hose clamps and assemblies, and seat belts; standard and proprietary valves, cocks, and hydraulic and plumbing fittings and fixtures; and standard electrical fittings (conforming to underwriters and other standard specifications). Purchased parts are distinguished from purchased equipment by cost and complexity.

End of DI-FNCL-81566A

DATA ITEM DESCRIPTION

Title: Contract Work Breakdown Structure

Number: DI-MGMT-81334A **Approval Date:** Draft (20020430)

AMSC Number: D6915 **Limitation:**

DTIC Applicable: **GIDEP Applicable:**

Office of Primary Responsibility: (D) OSD/PA&E/CAIG

Applicable Forms: Not Applicable; 35 hours

Use/relationship: This documents the Contract Work Breakdown Structure (CWBS) and its extension by the contractor using terminology and definitions, as applicable, in MIL-HDBK-881. The complete Program Work Breakdown Structure (PWBS) will serve as a basis for program and technical planning, scheduling, cost estimating, resource allocations, performance management where appropriate, configuration management, and status reporting.

This DID summarizes the format for the WBS and provides preparation instructions to support the specific data and frequency requirements specified in the contract. This DID is applicable to all contracts that require a WBS and is related to the two Contractor Cost Data Reporting (CCDR) formats: DD Form 1921, "Cost Data Summary Report" (DID number DI-FNCL-81565A), and DD Form 1921-1, "Functional Cost-Hour and Progress Curve Report" (DID number DI-FNCL-81566A). This DID can also be related to the formats contained in DD Forms 2734/1, 2734/2, 2734/3, 2734/4, and 2734/5, "Cost Performance Report" (DID number DI-MGMT-81466); DD Forms 2735, "Cost/Schedule Status Report, (DID number DI-MGMT-81467); and DD Form 1586, "Contract Funds Status Report" (DID number DI-MGMT-81468).

Routine reporting shall be at CWBS level 3 for prime contractors and key subcontractors. MIL-HDBK-881 serves as the basis for identifying the first three levels of the PWBS and for developing the CWBS. Extensions of the PWBS and CWBS can be tailored to the specific program but will be consistent with MIL-HDBK-881. Detailed reporting of the CWBS (i.e., below level 3) shall be required only for those lower-level elements that address high-risk, high-value, or high-technical-interest areas of a program. Identifying these additional elements is a critical early assignment for the Cost Working Level Integrated Product Team (CWIPT) for inclusion in the PWBS.

The reporting contractor shall prepare and submit the contract dictionary within 60 days of contract award. The reporting contractor shall maintain and update the WBS Dictionary throughout the life of the contract. The dictionary shall not be submitted more frequently than report submissions.

Requirements:

1. *Reference documents.* Detailed instructions for preparing the CWBS can be found in MIL-HDBK-881. WBS guidance is also contained in Chapter 2 of the CCDR Manual, DoD 5000.4-M-1.

2. *Formats.* The CWBS shall be reflected in an electronic report that consists of two parts as shown in the sample attachments. Part I is for the CWBS Index and Part II is for the CWBS Dictionary. The index lists the individual elements. The dictionary describes the effort and tasks associated with every CWBS element shown in Part I.

Preparation Instructions:

1. *Contract Work Breakdown Structure Index:*
   a. CWBS Code. Enter the code, if applicable.
   b. CWBS Element Level. Enter the level of the CWBS element. Level 1 is the total contract. Levels 2, 3, etc., are successively lower levels of the program.
   c. CWBS Element Name. Enter the title of the CWBS element using the specific name or nomenclature.
   d. Contract Line Item(s). Enter the numbers of the contract line items associated with the CWBS element, if applicable.
2. *Contract Work Breakdown Structure Dictionary:*
   a. CWBS Code.
   b. CWBS Element. Enter the title of each CWBS element in the same order as given in Part I.
   c. CWBS Definition. Enter a complete description of the technical and cost content of each CWBS element. The statement should be as descriptive as possible about the efforts, tasks, tests, components, etc., that are to be included in the CWBS element by the contractor. The CWBS Dictionary must be updated and maintained throughout the life of the contract. However, the updated dictionary shall be submitted no more frequently than the CCDR report submissions.

CONTRACT WORK BREAKDOWN STRUCTURE INDEX	PROGRAM: Missile X LRIP Surface-to-Air Interceptor	REP NO: XXXXXX CONTRACT NO: XXXXXX-98-C-XXX	CONTRACT PLAN NO: XXXXXXXX	DATE: 06/30/02

CWBS CODE	CWBS ELEMENT LEVEL 1	2	3	4	5	NAME	CONTRACT LINE ITEM(S)
1.0	✓					Missile System	
1.1		✓				Air Vehicle	
1.1.1			✓			Propulsion	
1.1.2			✓			Airframe	
1.1.3			✓			Warhead	
1.1.4			✓			Post Boost System	
1.1.5			✓			Guidance And Control Equipment	
1.1.5.1				✓		Guidance Section	
1.1.5.1.1					✓	Seeker	
1.1.5.1.2					✓	Guidance Electronics	
1.1.5.2				✓		Control Devices	
1.1.5.3				✓		Structure	
1.1.5.4				✓		Power and Networks	
1.1.6			✓			Ordnance Initiation Set	
1.1.7			✓			Airborne Test Equipment	
1.1.8			✓			Airborne Training Equipment	
1.1.9			✓			Auxiliary Equipment	
1.1.10			✓			IAT&C	
1.2		✓				Integration, Assembly, Test, and Checkout	
1.3		✓				Systems Engineering/Program Management	
1.4		✓				Systems Test and Evaluation	

CONTRACT WORK BREAKDOWN STRUCTURE DICTIONARY	PROGRAM: Missile X LRIP Surface-to-Air Interceptor	RFP NO: _____ CONTRACT NO: XXXXX-98-C-XXXX	DATE: 11/1/00

CWBS CODE	CWBS ELEMENT	CWBS DEFINITION
1.0	Missile System	The missile is a cylindrical body with four fixed fins attached to the aft end of the Solid Rocket Motor case. The control surfaces are located behind the fixed fins. The missile angular orientation is zero degrees at top center, with increasing angles positive in a clockwise direction (standing at the aft end looking forward). The outside surface of the missile body is coated for thermal protection of the structure from aerodynamic heating and rain erosion. Electrical interface between the launcher and the missile is provided by an umbilical cable connecting the missile Aft-Section to the Aft-Section of the Canister.
1.1	Air Vehicle	This element refers to the means for delivering the destructive effect to the target, including the capability to generate or receive intelligence to navigate and penetrate to the target area and to detonate the warhead. This element includes the design, development, and production of complete units (prototype and operationally configured units, which satisfy the requirement of their applicable specifications(s)) regardless of their use.
1.1.1	Propulsion	The propulsion system consists of the booster and the interstage. A single-stage, solid propellant rocket motor provides all of the boost impulse for the missile. The deployable flares and aft rate gyro package (RGP) are positioned at the aft end of the booster in the BUG configuration.
1.1.2	Airframe	This element refers to the structural framework that provides the aerodynamic shape, mounting surfaces and environmental protection for the missile components. It includes the wings, fins, and structural body assemblies.
1.1.3	Warhead	Warhead includes the assembly containing the kill mechanism of the round and its associated high explosives, chemicals, biological agents, nuclear devices, and pyrotechnics.
1.1.4	Post Boost System	This element provides the roll rate control and the final velocity to adjust and deploy the payload as well as the external protection material, velocity control system, and deployment group.
1.1.5	Guidance and Control Equipment	This element refers to the missile's ability to acquire and track targets, receive guidance data from various sensors and execute the necessary flight path to intercept the target.
1.1.5.1	Guidance Section	This element refers to the missile's ability to receive guidance data from various sensors.
1.1.5.1.1	Seeker	The seeker assembly is attached to the kill vehicle via the forward ring of the forecone. The assembly consists of four elements; a seeker basecone, an IR sensor, a gimbal set, and a Seeker Electronics Assembly (SEA). The seeker basecone is a conical assembly cast from magnesium. It is used as the main structure to mount the IR sensor and gimbals to the KV, and to dampen structural resonances.
1.1.5.1.2	Guidance Electronics	This element includes all the electronic components and their structural items needed to perform all the seeker tracking functions.
1.1.5.2	Control Devices	This element includes all the electronic components and support structure needed to perform the electronic processing done outside, but near the detector assembly. This may include detector biasing electronics, preamplification, gain control processing, A/D conversion and multiplexing of the detector outputs when many detector outputs are present.
1.1.5.3	Structure	This element refers to the metal or composite materials that provide external housing, bulkheads, attach points and connectors for guidance and control equipment.
1.1.5.4	Power and Networks	This element refers to the subsystem that starts the missile and maintains electrical power prior to launch, upon release from the launch platform, and during flight. Additionally, it consists of power supply devices and power converters.
1.1.6	Ordnance Initiation Set	The ordnance initiation set initiates all ordnance events throughout the missile and ground system (except reentry system components). Upon receipt of an electrical signal from the missile guidance and control system, the ordnance initiation set firing units convert the signal into ordnance outputs to the detonating cords. Among these ordnance events are stage separation, motor ignition, gas generator ignition, shroud separation, etc. Includes through bulkhead initiators, ordnance test harnesses, and firing units/exploding bridge wires.
1.1.7	Airborne Test Equipment	The airborne test equipment element refers to an exercise warhead that is interchangeable with the live warhead and suitable for developmental firing. This element includes destruct systems, recovery systems, special instrumentation, and telemetry equipment.
1.1.8	Airborne Training Equipment	The airborne training equipment element refers to an exercise warhead that is interchangeable with the live warhead and suitable for training firing. This element includes destruct systems, recovery systems, special instrumentation, and telemetry equipment associated with the training mission.
1.1.9	Auxiliary Equipment	The auxiliary equipment element refers to that additional equipment generally excluded from other specific elements. This element includes the environmental control, safety and protective subsystems, and destruct system. It also includes equipment of a single purpose and function that is necessary for accomplishing the assigned mission.
1.1.10	Integration, Assembly, Test and Checkout	The IAT&CO of the hardware will be conducted at the contractor's assembly facility. Subsystem components will be assembled and tested, then shipped to company YYYY for final assembly and testing.

CONTRACT WORK BREAKDOWN STRUCTURE DICTIONARY	PROGRAM: Missile X LRIP Surface-to-Air Interceptor	RFP NO: _____ CONTRACT NO: XXXXXX-98-C-XXXX	DATE: 11/1/00

CWBS CODE	CWBS ELEMENT	CWBS DEFINITION
1.2	Integration, Assembly, Test, and Checkout	The IAT&CO of the missile will be conducted at a Company YYYY assembly facility. For flight vehicles, the guidance and control unit is tested and installed, the units are fueled, and the ordinance is installed. The missile is then installed in the canister and shipped to the testing range.
1.3	Systems Engineering/Program Management	The system engineering and technical control as well as the business management of the project. System Engineering/Project Management effort that can be associated specifically with the hardware element is excluded, unless this management effort is of special contractual or engineering significance (e.g., associated contractor).
1.4	Systems Test and Evaluation	Four prototypes of the missile will be tested at WWWW testing range over a period of 3 months. The testing facility will evaluate both missile performance and accuracy, along with the launching platform capabilities.

End of DI-MGMT-81334A